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East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2002

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CONTENTS

INTERNATIONAL AFFAIRS

Status of Participation in Surgut Oil Pipeline Noted
(Eligiusz Lasota; ZYCIE GOSPODARCZE, 16 Mar 80) 1

BULGARIA

CC Secretary Mishev Dwells on New Economic Mechanism
(Misho Mishev; TRUD, 21 Mar 80) 6

Stealing of Fuel Products Discussed
(ZEMEDELSKO ZNAME, 21 Mar 80) 21

Customs Ordinance Regulates Export-Import of Foreign Currency, Goods
(DURZHAVEN VESTNIK, 21 Mar 80) 26

CZECHOSLOVAKIA

Socialist Medicare Blamed for Medicine Shortages
(Vaclav Sebor; TRIBUNA, 27 Feb 80) 50

GERMAN DEMOCRATIC REPUBLIC

Domestic Trade Sector's Achievements, Plans Discussed
(PRESSE-INFORMATIONEN, 7, 15 Feb 80) 55

Improved Commodity Turnover
Domestic Trade Statistics

HUNGARY

State Farm Support for Private Plot Efforts Praised
(Istvan Almasi; NEPSZABADSAG, 28 Feb 80) 62

STATUS OF PARTICIPATION IN SURGUT OIL PIPELINE NOTED

Warsaw ZYCIE GOSPODARCZE in Polish No 11, 16 Mar 80 p 13

[Article by Eligiusz Lasota]

[Text] They call it simply "the pipe." But what they mean is the thread-like course of the pipeline through which crude will flow from Surgut in Siberia, somewhere in the watershed of the Ob and Irtysh rivers, all the way to Polotsk in Belorussia. This "thread" is being constructed of 11-meter sections of large-diameter pipe. With regard to capacity, it is the largest pipeline being constructed in the USSR at present.

Its entire route is 3,350 km long. Over half of it has already been put into operation. Crude [oil] flows through it to the Perm and Gorki industrial regions. At present the assembly work is concentrated in the western sector of "the pipe."

"0" kilometer in the west is the city of Novopolotsk. It came into being next to [the city of] Polotsk which is well known and rich in tradition. Novopolotsk has a population of 70,000 and continues to grow, though it was not on any map 20 years ago.

Novopolotsk itself seems to have been built with space for growth. Perhaps it seems this way because traffic is still relatively light on its wide, spacious streets. They were planned on an ambitious scale and with a well-founded concern about the future. But that "space for growth" is only the first impression of a newcomer. The truth is that approximately 10,000 people are already waiting for apartments here, and new people are arriving constantly. This city is a new, rapidly developing center of the petrochemical industry. Its supply base and reason for being is the petrochemical plant which supplies a full stock of oils and fuels. Located here are the large POLIMIR chemical works, also based on crude, and a factory of albuminous vitamin concentrates in which, through microbiological processes, are utilized the usual byproducts of the processing of crude.

In addition, Novopolotsk is a large pumping station for crude and its products. From here, crude is pumped to the western regions of the USSR and Baltic ports;

from here it flows through the western section of the "Friendship" pipeline to Poland and farther west. The Surgut oil pipeline, now under construction and the largest of all the pipelines constructed until now, will enable the Novopolotsk pumping station to work at full capacity.

Main Office at "0" Kilometer

Here, in Novopolotsk, are located the main offices of ENERGOPOL and of tens of other Polish enterprises--among others, of ELEKTROMONTAZ, GEOPROJEKT, and INSTAL--which are involved both in the construction of the Surgut oil pipeline and of the whole Novopolotsk infrastructure which is related to crude. Here also, in a small town-base, reside about a thousand out of the 4,000 Polish construction workers who are scattered along the whole 293-kilometer Polish section of the Surgut oil pipeline.

The Poles have made Novopolotsk their home for several years now. They have already handed over for use the 442-kilometer section of the oil pipeline between Novopolotsk and Mazheikiai. The final finishing work is in progress on the pumping stations and the automatic control equipment of the two already completed large oil storage tanks. The next four such tanks are in the process of being assembled.

And so, when we are conversing in the main office of ENERGOPOL with the construction director Edward Pindur, the chief engineer Mieczyslaw Chadzynski, and the secretary of the Party organization, Jan Gil, we are buried under an avalanche of figures and indicators pertaining to the "old task," which is already being finished, and the "new task," the current one, which is the laying of 293 km of the Surgut oil pipe.

The section being constructed by the Poles is, as the previous tasks, "turn-key construction." The Polish enterprises headed by ENERGOPOL are laying the pipeline, constructing the pumping stations and storage tanks, and erecting houses for the servicing personnel. The whole construction is being carried out independently, with the use of Polish equipment and fittings. Only the large pipes are being supplied by the Soviet investor.

"The tasks for the current year," director Pindur says, "are on a very tight schedule. The whole section, together with the pumping stations, must be handed over for use in the third quarter of this year. What does it mean in practice? Well, if until now we have been doing 16 million rubles' worth of work annually, then during the current year this must increase to 36 million rubles' worth. I speak of the value of assembly and construction work, not counting the cost of the pipes which are also included in the value of the 'processed product.'" "Are these performable tasks?" the director poses the question. And he answers it for himself: "They simply must be performed. There is no other way out!"

Our participation in the construction of the Surgut oil pipeline is a matter of economic calculation. Our country's demand for crude is growing. Increased deliveries are necessary. But reserves of Soviet crude are located far away in Siberia. And so, it has become our common interest to make it reach the western borders of the USSR.

On the Route

When we left Novopolotsk for the construction route, the frost was not even too severe. It did not exceed 20 degrees [centigrade]. This frost, as it turned out during our conversation with Eng Mieczyslaw Kwiatkowski, at the Turichino base near the city of Nevel, is an ally of the construction workers. On the 293-kilometer Polish route there are, to be sure, 87 km of swamps incluing 60 km of swamps which are nearly impassable except in winter. Consequently, everything is being done in order to do the greatest amount of work on these difficult sections still during the winter season.

Here, in Turichino, we learned how complicated the laying of the pipe is under local conditions. Of access roads alone, several hundred kilometers had to be built along the route. Along the Turichino section, 89 km of roads were constructed. The pipeline has to negotiate two large navigable rivers: the West Dvina and the Lovat, not including smaller rivers, and to pass under main highways. In some sections, in order for the heavy construction equipment to go over them, it was necessary to strengthen the existing bridges or even to construct new ones alongside.

When we reached kilometer 140 of the route, where powerful automat machines are performing the final cosmetic operation--the insulation of the pipe, so that it could be buried in the ground--we became convinced that here the frost was not in the least an ally. The clever American automatic machines which first heat the pipe and then put on two insulation layers, precisely then failed to operate. The insulation tape, specially stored in a warm place, after being put on drums cooled off too quickly in freezing temperatures and broke. Edward Kaszyk's brigade was hurrying, literally dripping with sweat, so as to win that battle with the frost. And somehow it managed to do it, because when we were leaving, the automatic insulating machine was already operating at full speed.

Welding is a Deciding Factor

The laying of the pipeline is a complicated process which includes many kinds of preparatory work--from road building and forest cutting along the route to the completion of the excavation under extremely variable geological conditions. But the most important matter is the pipe itself and the joining together of its 11-meter sections. The first connections are made at the welding stations where, through the use of semi-automatic "Hobart" machines, three sections of the pipe are joined together. Such 33-meter giants are transported along the route and it is here that they have to be welded together into one unit, under field conditions.

At kilometer 216 of the pipe, counting the distance from Novopolotsk, precisely in January, a brigade of welders has been working. Powerful track-mounted "caterpillar" cranes lift the sections of the pipes to the required height which have to be welded, while the automatic centering equipment makes sure that the precisely polished ends of the pipes fit each

other with absolute exactness. Onto the prepared connections rides the first automatic welding machine, and two welders, who constitute its work force. They apply to it the first layer of the weld by means of an electrode whose diameter is less than one millimeter. The welding is done in the environment of an inert gas which is supplied automatically from special bottles to the spot being welded. There are four such consecutive welding operations. Only after applying the last weld the same is then polished, and the pipe is ready for insulating and burying it in the ground. But before that, it is still necessary to take an X-Ray photograph of the weld and to check the weld with a defectoscope. It goes without saying that the pressure inside the pipeline is enormous.

Later, when we were visiting the Soviet section of the construction, in Likhoslavl near Kalinin, we saw that the welding there was being done by a different method, with the use of standard large electrodes, and without any complicated automatic equipment. However, the truth is that this method also has to be used for welding and polishing from the inside, which is an unusually burdensome operation because the welder must ride into the pipe on a Special cart and perform the entire operation inside.

House-Base

The camps in which Polish construction workers live are set up with maximum care for the greatest possible comfort with regard to living accommodations and recreation facilities. People live here mostly in two-person container-like small rooms; the sanitary conditions are normal; there is a careteria, and medical care is also provided.

In the evening, everybody returns to the camp tired. Besides performing difficult work in subzero temperatures, many of them have to cope with commuting to far-flung sections, even up to 60 km. Thus, they have the right to feel tired. But they still have enough energy to build through collective effort--as on the Toropets and Turichino bases--attractive coffee-houses, with truly fancy interior decoration. In Turichino, they still have enough energy and enthusiasm to operate their own cabaret and to publish little newspapers, full of humor and with excellent illustrations. The program staff of the central radio station is active here, broadcasting not only information but their own inventive radio programs of entertainment.

Of course, the main problem is that the construction workers miss their homes and families. Every 3 months, to be sure, each one is entitled to a 4-day furlough to enable him to visit his family and relatives; but each consecutive 3 months seem very long.

Their earnings are good, ranging from 300 to 600 rubles. This, undoubtedly, makes their jobs attractive--the more so that the earned money may be transferred to a foreign exchange account. There are those who after the expiration of their contract again intend to work on a foreign construction project; but most of those with whom we spoke stated that after returning

they intended to work on construction projects in their home country. They have many friends here. The Polish camps, particularly on days when some activities are being held, are visited by many local inhabitants. However, the camps are, for the most part, far away from cities and villages; thus, life here does not have too many attractions.

Action "Signal"

When we asked the members of the construction management what difficulties they experienced in their work, they answered that the difficulties were obviously similar to those which existed at home but that they were more acute.

An example of this is the problem of recruitment. The enterprises in the home country know perfectly well how many and what kind of experienced workers are needed here on individual sections. However, they sometimes send over people who are not fully or not at all prepared. Among already legendary anecdotes is an authentic occurrence involving one of the operators. When, after his arrival, he was told to take over the controls of a power shovel and to leave for the construction route, he explained that he indeed was an operator but...of movie projection apparatus.

There are also "normal" problems with the delivery of equipment and spare parts. Not all those at home on whom the deliveries depend want to remember that the transportation equipment operates here under particularly difficult conditions and wears out faster.

Out of the need to cope with equipment tieups which one cannot really afford here, was born on the construction site the youth "Signal" action. And it should be remembered that the Union of Socialist Polish Youth (ZSMP) is the sponsor of this construction. The action consists in broadcasting home from Novopolotsk a "signal" to the youth organization in a particular plant when some Polish factory is late in delivering equipment or spare parts. There, in turn, the organization mobilizes its members, enlists them in the effort to speed up production, and makes up, if possible, for the delays by additional or speeded-up production which is designated for the pipeline, thus remedying the situation.

The chairman of the ZSMP of the Surgut construction, Zbigniew Wituszynski, told us about still another interesting youth initiative. The ZSMP of the construction, together with its management, invited to Novopolotsk, for a tour of the construction route, directors and ZSMP plang organizations chairmen from over ten plants in Poland which were cooperating on the construction of the "pipe." Among them were representatives of the CENTRA battery plant in Poznan, of the repair shops for Soviet trucks in Nowa Sol, of the POLMOZBYT automobile plant, and of many others. They familiarized themselves locally with the construction and its bottlenecks. They got to know the difficult conditions under which the equipment must operate, and they made specific commitments regarding the deliveries. These were listed in a special document under which there appear signatures of directors and of chairmen of plant youth (ZSMP) organizations.

Now Novopolotsk is waiting for the results of this initiative.

Whatever it might be, crude from Surgut must start flowing to Novopolotsk in the fall.

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CC SECRETARY MISHEV DWELLS ON NEW ECONOMIC MECHANISM

Sofia TRUD in Bulgarian 21 Mar 80 pp 2-3

[Report by Misho Mishev, BCP Central Committee secretary and chairman of the Bulgarian Trade Unions Central Council, to the 12th Bulgarian Trade Unions Central Council Plenum: "Tasks of the Bulgarian Trade Unions for the Application of the Economic Approach and the New Economic Mechanism"]

[Text] Comrades:

An exceptionally important item is on the agenda of today's expanded plenum of the BPS [Bulgarian Trade Unions] Central Council: The place, role, and tasks of the BPS related to the systematic application of the economic approach and the new economic mechanism.

These problems were formulated profoundly and comprehensively, with extreme theoretical clarity and practical targets in his reports to the national conference of the party, state, economic, and social aktiv, held on 30 January 1980.

It is extremely clear today that the application of the economic approach and the new economic mechanism is the main, the basic feature of our work and struggle for the implementation of the decisions of the 11th BCP Congress and the National Party Conference. It is a link which will enable us to pull the entire chain, a means to insure the fullest possible effect of the entire system of organization, administration, and management, formulated by the party for the practical implementation of the strategic slogan of high effectiveness and high quality.

"All trade union cadres," Comrade T. Zhivkov said, "must well understand that the effective work of the trade unions as a school of administration, management, and communism means one thing only: The trade unions must become full participants and coworkers of the economic managements in the formulation and implementation of the counterplan, the application of th eeconomic approach, the creative application of the economic mechanism, and the maximum discovery and utilization of reserves."

This must become the alpha and omega of the entire organizational and educational work conducted by the trade unions, and of their social policy. By mobilizing the working people for highly organized and effective work, developing the socialist competition, and formulating and implementing the counterplan, the trade unions resolve not only economic but social, political, and ideological problems they face.

That is why, the more competently, specifically, and effectively the trade unions undertake the application of the new economic mechanism, the more successfully they will perform their basic functions and the greater will become their contribution to the implementation of the party's economic and social policy.

The purpose of this plenum is to reassess, in accordance with the new requirements, the work done so far and formulate our main tasks, obligations, and responsibilities for the systematic and comprehensive application of the economic approach and of the new economic mechanism.

I. Nature, Basic Principles, and Requirements of the New Economic Mechanism

Comrades:

In his report to the 30 January National Conference Comrade Todor Zhivkov substantiated the nature of the economic approach and indicated the basic principles and requirements of the new economic mechanism. Their practical implementation calls for introducing a new content in our entire trade union activities, the search for new ways and means of work, and the restructuring of our thinking and means of action.

The first principle is the systematic application of cost accounting and securing total self-support.

The new, the main feature here, is that each economic organization and its branch, brigade, and individual worker will operate on the basis of cost accounting and self-support. Consequently, henceforth no one will be able to live at the expense of someone else.

The comprehensive application of cost accounting and self-support requires that the trade unions teach all collectives--big and small--accurate counting, proper norming, reporting, and control of income and expenditures, and strict savings. In other words, they must teach them how to manage the property of the nation in a socialist way, and make the most effective use of material, labor, and financial resources. It is mandatory to conserve every gram of material resources and drop of fuel, every kilowatt of electric power, and every leva.

This gives a new content to and be comes the main aspect of the function of the trade unions as a school for socialist management.

The second principle is to base production planning and management mainly on economic means and use economic influence, economic incentives, and economic restrictions.

Any petty supervision, bureaucracy, gross administration, orders, and instructions conflicting with the nature of the economic approach and the principles and requirements of cost accounting and self-support become inadmissible under the new circumstances. Today we must act and be guided by economic incentive and economic responsibility.

All this enriches the content and formulates new requirements in the implementation of the function of the trade unions as a management school. Our duty is to help the labor collectives to better master and properly utilize economic incentive means. In other words, as Comrade Todor Zhivkov pointed out, all working people, workers, employees, and managers of enterprises, economic organizations, and departments in the production and nonproduction areas, in the center, and locally, must learn to assess even better, to add and subtract, and to determine even more strictly the economic benefits and what they have given and received. The basic new and important feature here is that it is a question not of managing through administrative-bureaucratic methods but through the leva.

The third principle of the new economic mechanism is the strengthening of the democratic principle in planning and planned management, and combining centralism with democracy even better.

The most essential feature here is that, basically, the counterplan is the only full and expanded plan formulated from the bottom upwards, carried out by the labor collectives themselves. This plan is open and dynamic. The state defines merely a few mandatory indicators which guarantee the country's balances. It is on this basis that the economic organizations and enterprises formulate their counterplan, fulfill it, and are responsible for the results.

All this means that, in the final account, the counterplan is the basis on which the activities and contribution of the trade unions in the implementation of the party's economic and social policy will be built, implemented, and rated. Hence our main task of factually converting the counterplan into the creative undertaking of the entire labor collectives, and involve on a specific and permanent basis the thinking and initiative of every worker and specialist in discovering and utilizing reserves and in formulating and implementing the engineering project and the counterplan.

The fourth basic principle of the new economic mechanism is the effectiveness and surplus of the wage fund to be distributed among the members of the collective in accordance with the quantity and quality of invested labor.

According to this principle each leva from the wage and the SBKM [Socio-cultural Measures] funds must be earned. He who works more effectively and generates greater income will earn higher wages. An organic link, interdependence, and interaction have been established among production, distribution, and consumption. We cannot distribute and consume that which has not been produced and achieved. This is logical. Today the wage is no longer fixed and guaranteed by the state. It is guaranteed by the economic organization itself, by the labor collective, through its efforts to increase the general income and through reaching higher effectiveness and quality and through the contribution to the growth of the national income.

The implementation of the result-surplus nature of wages is an exceptionally important problem facing the trade unions. The situation of trade union managements in economic organizations and enterprises whose economic results do not insure adequate wage funds will be unenviable.

The economic approach and application of the new economic mechanism reformulate some aspects of the protective function of the trade unions. Unquestionably, the best protection of the interests of the working people is insuring more, higher quality, and lower cost output, and higher labor productivity and, on this basis, insuring wages as the residual and resulting amount, as well as increasing the assets of the social funds.

Now the trade unions will have to protect the economic interests of the working people far more concretely and actively.

Protect from whom?

"Protect," Comrade Zhivkov said, "from the old and new bureaucrats; from inept, inert, and conceited managers; from members of society who are seeking the soft spots, who would like to live at the expense of others, at the expense of the state; protect from those who destroy socialist discipline, those who do poor quality work and allow production waste, who waste the socialist resources and property, and who hinder the enhancement of individual and national prosperity."

The principles of the economic mechanism are entirely consistent with the interests of the working class and all working people. The comprehensive utilization of the mechanism alone would enable us to achieve a

change in the implementation of the latest scientific and technical achievements, of leading domestic and foreign experience, the intellectualizing of public production, and the improvement of the socialist organization of labor.

II. Basic Directions and Tasks of Trade Union Work in the Application of the Economic Mechanism

Comrades:

Several basic problems on which all trade union organs and organizations, and all trade union cadres and activists, from top to bottom, must focus their attention and efforts stand out with particular emphasis in the entire varied range of problems related to the application of the economic mechanism. What are they?

First: Problems related to increasing the participation and responsibility of trade union managements at all levels for the proper and timely elaboration, ratification, study, and overall application of the normative documents related to the application of the economic mechanism.

All regulations, directives, instructions, and other legal documents related to the application of the economic mechanism from top to bottom shall be formulated, approved, and amended with the participation of the corresponding trade union managements. Our signature as well will be affixed to these documents. These are major rights from which major responsibility stems. We have not been assigned the role of observers. We are an active party. Should errors or weaknesses be committed in the drafting of individual documents, should we be dissatisfied with something, should there be loopholes in their application, it would mean that we have done our work poorly.

This is not a matter of merely noting or expressing views and standpoints but effectively participating in the elaborations themselves. Such elaborations must reflect the objective requirements of life, and the views of the respective labor collectives. The major weakness is that we frequently participate and express views and standpoints on considered documents without sampling the opinions in advance and without even informing the collective or the collective's trade union organ.

The task now is to make a steady study of practical experience and give prompt help to the labor collectives rather than wait for someone "from below" to raise the question so that it may be resolved. This mostly applies to the central committees of the trade unions and the trade union committees which, by virtue of their position, are directly responsible for the elaboration and application of the specific legal acts applicable to the corresponding sector.

The development and steady updating of the norming base is of decisive importance to the practical application of the economic mechanism. This problem can be neither postponed nor delayed or circumvened. No cost accounting and self-support are possible nor could there be a question of the application of the economic mechanism without realistic and substantiated norms and standards governing outlays of labor and materials, the utilization of the equipment, and the quality of the goods.

Second are problems related to improving the socialist organization of labor and, above all, the reaching of a real change in the application of the brigade organization of labor based on brigade cost accounting. The study of the work done so far to apply the brigade organization of labor, based on brigade cost accounting, gives grounds for certain conclusions. Above all, let us emphasize that a great deal has been accomplished. However, the possibilities to expand the application of the brigade organization of labor wherever proper objective conditions are available, and where this would be effective and expedient, have not been exhaused yet. Most of the auxiliary and servicing personnel and the planning, design, and administrative personnel have not been organized on the basis of the brigade method.

The main weakness and shortcoming of the work done so far to set up a brigade organization of labor is that most of the brigades do not operate on the basis of brigade cost accounting. In industry, for example, only about 28 percent of the brigades operate on a cost accounting basis. Furthermore, the system is not applied to its fullest extent everywhere but covers merely a few elements. In many places normed planned assignments and piece-rate orders exist on paper only. Frequently the brigades' production assignments are changed and, in many cases, are determined after the end of the corresponding month or quarter. No precise norming and accounting of outlays for labor, raw materials, materials, fuels, energy, use of machinery and equipment, working time, and quality of output is carried out.

Obviously, comrades, we cannot secure on this basis brigade self-support! The creation of brigades unrelated to self-support and cost accounting is a self-seeking aim, and a formalistic and fruitless effort.

The total and effective application of the principles of the economic mechanism and of brigade cost accounting objectively calls for relations among brigades and between them and economic managements to be organized on a contractual basis. This problem is of exceptional importance. Any penalty or nonfulfillment of individual assignment of one brigade toward another now affects wages. Consequently, contracts must have a clear and precise economic manifestation. They should include the rights, responsibilities, and penalties for caused damages. Such contractual obligations must be strictly observed.

Guided by the exceptional importance of the problem of the further development of the brigade organization, based on brigade cost accounting, and the need to provide more direct assistance to the trade union and economic managements in this area, the Central Council of the Bulgarian Trade Unions, the Committee for Labor and Wages and the Ministry of Finance passed a special program which is already being implemented.

The purpose is to sum up and disseminate positive experience in the field of the brigade organization of labor in some 100 base enterprises in various sectors and activities, apply brigade cost accounting in all brigades within such enterprises and, on the basis of this experience, improve norming documents and make widespread existing positive experience among all remaining enterprises of the respective sectors and activities.

Naturally, the efforts to improve and further disseminate the brigade form of labor organization and brigade cost accounting do not cover the entire activities related to the comprehensive improvement of the socialist organization of labor.

The struggle for labor economy must be waged along all directions and, above all, through the mechanization and automation of manual and heavy physical labor. Today about 50 percent of the workers in industry perform manual operations while, at the same time, billions of leva are spent on the reconstruction and modernization of output. It is high time to convert from talk on the possibilities of robotics, and automation to their factual application in production, wherever a great deal of manual labor exists.

Great possibilities for labor savings remain in management and services. It is not a question of maiming management but of eliminating unnecessary bureaucracy. This becomes even more necessary today, when the principle of self-support is being applied and when the workers' collectives must pay for inflated administration out of their own pockets.

The problems of the utilization of raw materials, materials, fuel, and energy, and of operating at full capacity machines and equipment must always be kept in the focal point of attention of the labor collectives in their further efforts to improve the socialist organization of labor.

Third: Under the conditions of the economic mechanism problems related to involving all working people in the struggle for the fullest possible discovery and utilization of reserves, steadily updating engineering projects and counterplans, expanding socialist competition and rationalization and invention, and the mass application of leading experience become even more important to us.

Whereas so far the counterplan was largely a method for adopting voluntary additional obligations for the overfulfillment of one or another indicator, today it becomes the only expanded and complete plan for overall production-economic activities and the social development of the labor collective. There is no other plan! The counterplan is the principal means for the overfulfillment of mandatory state assignments. It insures the full self-support of the economic organizations and enterprises, and the income, wages, and assets of social funds. Whereas so far wages could be earned by amending plan indicators as well, today no such possibility exists. The labor collective is not interested in amending the plan downwards, for this would automatically mean a drop of income and wages.

Whereas so far the elaboration of engineering plans and counterplans was done within specific deadlines and turned into a campaign, today the discovery and utilization of reserves must be organized as a continuing creative process. What is most important for us is to insure the direct and active practical participation of each collective and individual worker and specialist in the steady updating of the engineering and counterplans and in the struggle for their implementation.

The next particularly important problem is to put an end to underestimating the plans for the social development of labor collectives and to fully implement the comprehensive nature of the counterplan. For quite some time we have made no progress in this matter. The social plan has not become an organic component of the counterplan but, in most cases, is considered its automatic supplement. Quite frequently economic organizations and ministries discuss and approve counterplans ignoring this part.

The trade union organs and organizations at all levels have the duty to struggle against all manifestations of bureaucracy and technocracy in the formulation and implementation of counterplans. They must struggle against the appropriation of reserves discovered by the labor collectives, and unjustified amendments of plan indicators and norms. At the same time, they must block attempts to twist the principles of the new planning technology and the desire to follow the old tracks.

As the direct organizers of the socialist competition, justifiably we pay great attention to its organization and management.

The economic mechanism creates far better prerequisites and conditions for the development of the competition process. However, in order to implement them, the organization and management of the socialist competition must truly become an organic component of the production planning and management system. In other words, the competition must be organically linked with counterplanning, cost accounting, self-support, and the practic ' implementation of the socialist principle of earnings

based on the quantity and quality of labor. The greatest possible consistency must be achieved at all management levels between the indicators on the basis of which the competition is waged and reported and the indicators contained in the counterplans on which the resulting wage fund is based along with individual salaries. The strict requirements formulated by the National Party Conference must become the competition criteria.

The application of the economic mechanism also requires a further expansion of competition, based on contractual relations, among interrelated brigades, production facilities, sectors, enterprises, scientific research and design institutes, application organizations, and design and technological and other teams, with a view to achieving maximum multiplication results. To this effect we must improve the work on the conclusion and implementation of competition, cooperation, and mutual aid contracts.

In order for the organization and management of the socialist competition to be linked even more closely with the requirements of the economic approach and be directed toward the fulfillment of the Eighth Five-Year Plan--a five-year plan of scientific and technical progress--the BCP Central Committee Secretariat has requested that by the end of 1980 a decree be drafted and passed formulating the objectives, criteria, indicators, conditions, and material and moral incentives for the organization, management, and reporting of the results of the socialist competition for the 1981-1985 period. Obviously, we must actively participate in the elaboration and practical implementation of this decree.

A number of important problems were legally settled for the sake of implementing the 1978 decision of the BCP Central Committee Politburo on the mass application of leading experience. This activity was organized on a planned basis. The legal documents related to the economic mechanism stipulate that the economic organizations shall issue their subunits mandatory tasks on the application of leading experience. Together with the economic managements, the trade union organs and organizations, using the favorable conditions created by the economic mechanism, should greatly increase the effectiveness of the mass application of leading experience.

Fourthly, we shall deal with the tasks of t e trade unions related to the further development and improvement of socialist economic democracy.

Today everyone, from worker to director, is not only directly interested but directly responsible for the implementation of his assignments and for achieving maximum results with minimum outlays. On the one hand, this means that in resolving problems economic managements must truly and factually, rather than verbally, rely on the collective management organs and on the views and suggestions of the members of labor collectives.

It is high time to eliminate formalism in holding production conferences and general (representative) meetings and sessions of economic committees and councils. It is not normal for a high percentage of workers and specialists not to submit their views, suggestions, and critical remarks in the discussion of production problems. What is even more abnormal is that about 30 percent of the suggestions remain without consequences and that about 20 percent of the expedient and adopted suggestions are not acted upon.

The work of the collective management organs depends to an exceptional degree on the trade union managements. In accordance with the new requirements they must pay far greater attention to their strengthening and energizing and their conversion into an active factor leading to the practical implementation of the basic principles of the economic mechanism of self-support and cost accounting. It is precisely at production meetings and general assemblies and meetings of economic committees and councils that the voice of the working class must be heard. They must become the fullest manifestation of the desires and aspirations of the working people in the struggle for the implementation of the party's policy.

III. Application of the Economic Approach in Social Activities

Comrades

At the National Conference Comrade Todor Zhivkov strongly emphasized that the trade unions must reinterpret and organize on a qualitatively new base their activities related to the social development of the labor collectives and the specific implementation of the party's social policy. So far the trade union managements in the individual enterprises focused their efforts, above all, on the allocation of more funds for social measures regardless of production results. Today this practice must be radically amended for the economic mechanism makes the allocations for social funds most directly dependent on the end results of production-economic activities. Consequently, such funds must be earned and extensively used in accordance with the requirements of socioeconomic effectiveness.

"All this," Comrade Zhivkov pointed out, "means that the greater the contribution of the trade union and organizations becomes in the fulfillment of counterplans and in increasing income, the greater will be their share in securing more funds for social activities. Henceforth it is precisely thus that we must consider the problem of the protective function of our trade unions. Any other formulation would be erroneous and would harm the working people themselves."

These instructions must become the guiding principle governing the activities of trade union and organizations and all trade union cadres.

Some urgent problems related to the forming and use of the SBKM fund as well must be resolved in accordance with the new stipulations. We must eliminate some artificial barriers blocking the utilization of the assets of this fund along with possibilities for administrative interference. This could be achieved by increasing the rights and responsibilities of the labor collectives.

Resolving all these problems, the trade unions and organizations must focus their efforts and means mainly on satisfying the internal social requirements on the territory of the enterprise and on durable, long-term social measures and gains benefiting the entire collective. This means that in the use of SBKM funds the measures must be graded in terms of importance, necessity, expediency, and effectiveness.

Furthermore, these funds belong to the labor collective. The labor collective alone should handle them. Any administrative interference or any appropriation of the assets of this fund without the expressed agreement of the entire labor collective is inadmissible. Obviously, the Central Council of Trade Unions and Ministry of Finance must improve the legal stipulations governing the SBKM fund.

In the light of the stipulations issued by Comrade Todor Zhivkov, we must correspondingly reorganize our activities on the implementation of the functions assigned to us by the state in the field of labor safety, rest, and social insurance.

In the field of labor safety, the application of the economic approach must find its factual manifestation in our further efforts to achieve maximum results per invested lev, in order to improve labor conditions.

We achieved encouraging results in the past four years. Nearly 200 million leva were spent below the appropriations stipulated in the program. Yet, the program's basic indicators were reached and surpassed. Now, on the basis of the acquired experience, maximum efforts must be dedicated to the formulation of a new national labor safety program for the Eighth Five-Year Plan.

In the course of their practical activities the trade union organs and organizations and, above all, the labor safety organs must focus their efforts on the fullest possible solution of problems related to labor conditions at the very stage of the planning, construction, and commissioning of the new, reconstructed or modernized capacities.

Another very important problem is to achieve a radical change in the approach to compensation outlays and wage supplements for work under harmful conditions dangerous to the health. It would be proper, henceforth, for such funds to be paid out in principle temporarily only, for a specific period of time during which the economic managements must bring up the parameters of the working environment to its optimal limits.

It is also necessary to increase the economic and disciplinary liability of the managers at all management or other levels and every member of the labor collective violating the rules and stipulations for safe labor, as a result of which labor accidents occur. Under the conditions of the extensively applied internal cost accounting and self-support it would be expedient to discuss the possibility to develop direct material incentive and responsibility on the part of the labor collectives aimed at reducing labor accidents.

In the field of recreation, the topical task is to elaborate and apply a new management mechanism based on the principles of economic approach gradually eliminating state budget subsidies. Work related to rest must be assumed entirely by the people themselves and the SBKM fund and, in the case of sanatorium-resort treatment, by the state social insurance, implementing the stipulation issued by Comrade Todor Zhivkov according to which the use of this social gain should be most closely linked with the contribution of the working people to the collective, the individual enterprise, and society at large.

The application of the economic approach to the social insurance system calls for the discussion and resolution of some problems related to the even more extensive involvement of the working people and the broadening of the voluntary principle in such activities and the intensification of the direct interest of the labor collectives in the thrifty and economical use of state social insurance funds.

It would be expedient, on the basis of Soviet experience, to discuss a system of economic incentives which would directly interest the labor collectives and upgrade their responsibility in lowering outlays for temporary disability compensations. This means that all savings achieved on the basis of stipulated long-term norms must be left at the disposal of the labor collective for the implementation of measures aimed at prevention and treatment of vocational and general illness and improving working and living conditions.

IV. Coordinating the Educational and Organizational Work of the Bulgarian Trade Unions With the New Requirements

Comrades:

The comprehensive application of the economic approach and economic mechanism is of both economic and highly ideological, political, and social significance and meaning. An entirely new circumstance is developed governing the development of the educational process.

The main task now is for the new economic mechanism to be realized, interpreted, and mastered by the millions of working people, and to become a guiding principle of their work and life. The necessary conditions for its systematic and full application must be insured ubiquitously.

The purpose is to master the specific means for the application of the economic mechanism in the corresponding unit, i.e., the organization of brigade cost accounting, the formulation and accounting of the normed planned assignment or piece-rate order, the norming and accounting of production outlays, the forming of wage funds and their distribution among brigade members. Training must be provided with visual aids, charts, and specific examples and computations so that every worker may understand with extreme clarity the obligations and responsibilities and incentives applying to him, to the brigade, and to the enterprise at large as a result of the application of the economic mechanism.

All enterprise managers and specialists and, above all, the economic cadres, must be used to provide such training. It would be expedient, on the basis of specific trade unions, for such specialists to be assigned to specific brigades which they will train, and steadily supervise the application of the economic mechanism and help to eliminate on time arising difficulties and shortcomings.

It is of exceptional importance for our cadres to understand that the mastering of the economic mechanism will take place, so to say, "on the run," for it is a continuing process which will require creativity, development, and maximum utilization of available positive experience.

The economic approach creates real possibilities for even more effective and specific struggle against the bearers of negative phenomena in the collective, against whom we must fight with all ways and means, uncompromisingly, through ideological-educational work. This calls for decisively energizing workers' control, prevention councils, comrade courts, and voluntary detachments of working people. At the same time, we must upgrade the effectiveness of educational activities aimed at strengthening the moral virtues of the socialist individual, and developing within the brigade members modern discipline and a feeling of responsibility, comradeship, collectivism, mutual aid, and trust. In this direction we must promote even further the initiative of the seven brigades of the V. Kolarov Plant in Sofia on developing a personal code for model socialist discipline.

Work expediency must be raised to a far higher level. No one needs showy, noisy, and self-seeking measures. Concreteness, and direct help to the collectives in resolving their problems must become a characteristic feature of our work style. We must assert to an ever greater extent work collectivity and democracy and make even more extensive use of the experience and knowledge of the thousands-strong trade union aktiv.

Today there neither is nor could there be a more important problem than that of enhancing the role and responsibility of the primary trade union organizations and trade union groups for the application of the economic mechanism. Without this we would be unable to take a single step forward in the implementation of the responsible assignments facing us in this respect.

The initiative of the Sofia trade union organization entitled "The Trade Union Group is Responsible for the Brigade Plan" is a positive example of purposeful work aimed at upgrading the role and effectiveness of trade union groups in discovering and utilizing reserves, and formulating and implementing the counterplan. This initiative must become fully consistent with the meaning and content of the economic approach. It must be studied and extensively applied in accordance with the specific conditions of the individual primary trade union organizations.

V. Let us struggle for the fulfillment of the 1980 and Seventh Five-Year plans as a whole and for reaching the trade union one billion.

Comrades:

Two months have already passed of the last year of the Seventh Five-Year Plan. Our practical work on the application of the economic mechanism should, obviously, be linked with the most immediate task, namely, the further development of the nationwide struggle for the fulfillment of the current plan. The mandate is to conclude this year as well with even greater successes and entirely implement the assignments set by the 11th Congress and the National Party Conference.

The 1980-1981 plan plays a particular role and has a particular significance to the socioeconomic development of the country. It is a new peak in our development, a link binding the Seventh with the Eighth Five-Year plans. Its overall implementation will lay the foundations for the conversion of the Eighth Five-Year Plan into a five-year plan of scientific and technical progress and intellectualization of public production.

The year 1979 was a fruitful one. The successes achieved are another vivid confirmation of the accuracy of the Leninist April party line and a new step in building a developed socialist society.

Today, from this rostrum, on behalf of the working class and all working people, with a feeling of legitimate pride and satisfaction, we are reporting to the party Central Committee and, personally, to Comrade Todor Zhivkov, that the obligation assumed to produce additional national income above the state plan is being fulfilled successfully, the way workers should.

The 1979 counterplans stipulated a reduction of material outlays by 302,716,000 leva, excluding agricultural activities. During the year 452,079,000 leva were saved or 149,363,000 leva more than stipulated. Compared with 1978 subsidies to agriculture dropped by 235 million leva. This unquestionably contributed to the successful fulfillment of the quality indicators of the plan and, above all, to increasing the national income.

Reporting the results achieved so far we clearly realize that the high percentage of reaching the one billion mark by the trade unions remains to be achieved in 1980 and that the tasks are far more complex and more important.

We are faced with the specific task of reducing material outlays by no less than 390 million leva toward the comprehensive implementation of counterplans in industry, construction, transportation, communications, trade, and services; in agriculture we must reach the planned reduction of subsidies.

An important task facing the labor collectives in the nonproduction sphere is to steadily improve the effectiveness of their activities and firmly enhance socioeconomic effectiveness. They as well must struggle for lowering maintenance costs, steadily improve their structure, and reduce the size of the administrative-management personnel.

Comrades:

Let us emphasize, once again, that the application of the economic mechanism is inseparable from the nationwide struggle for the fulfillment of the 1980 counterplans, the reaching of the one billion figure by the trade unions, and for the comprehensive fulfiilment of the Seventh Five-Year Plan. Each one of our measures and initiative, our entire comprehensive activities, must be subordinated to this party order.

We assure the BCP Central Committee and, personally, Comrade Todor Zhivkov, that the Bulgarian trade unions will dedicate all their forces and skill to the application of the economic approach and the new economic mechanism, and the implementation of the party's policy. We shall honorably reach the trade union billion leva figure and submit a worthy report to the 12th Congress of our great Bulgarian Communist Party.

On to adamant and daily work to carry out the party's assignment!

5003
CSO: 2200

STEALING OF FUEL PRODUCTS DISCUSSED

Sofia ZEMEDELSKO ZNAME in Bulgarian 21 Mar 80 p 3

[Report on the first meeting of the socio-legal group of ZEMEDELSKO ZNAME editors: "Rivers of Petroleum Are Flowing Into. . . Rivers and Houses"]

[Text] The minutes of the meeting chaired by journalists Petur Stanchev and Ofeliya Khadzhikoleva contain the following concerning the tasks assumed by this socio-legal group in the light of the party decisions to wage an irreconcilable struggle against negligence, waste, misappropriations, and encroachments on people's property:

" . . . Actually, this is the other side of the coin on which--on the basis of the same resolutions--the words responsibility, thrift, statesman-like attitude toward the people's property, and high labor activeness for the successful implementation of the 1980 and 1981 plan are engraved. The struggle is being waged along two lines: For the sake of the great objective and . . . against those who muddy up the current to catch fish as described in the popular saying. . . . This "muddied water" will be--figuratively stated--the perimeter within which the socio-legal group set up by the editors will seek topics for its "cases."

The following participated in the first session: Georgi Chernev, head of the Summation of Judicial Practices of the Ministry of Justice; Stoyan Stoyanov, investigator at the Main Investigation Administration of the Ministry of Internal Affairs; Boris Madolev, from the People's Militia Directorate; and Ivan Burov, specialist at the Mechanization City Directorate of the NAPS [National Agroindustrial Union]. The agenda

had a single item: misappropriation and waste of petroleum products in agriculture.

Statement by G. Chernev:

Referring to court practices, "enriched" in recent years by an entire series of cases of misappropriation of petroleum products, their "characters" have included either sales clerks and managers of gasoline stations, drivers of state-owned motor vehicles, or gas oil distributors. Yet, did this occur in agriculture alone?. . . Are we not excessively narrowing the range within which we should look for the big and small taps from which real rivers of petroleum and gasoline continue to drain? They literally flow into rivers, occasionally drained out by unconscientious drivers who claim fictitious runs and are unable to sell the saved petroleum products!

Arguments submitted by B. Madolev, on whose suggestion the "case" was instigated:

The possibility to develop surpluses of petroleum products and to misuse them exists within the NAPS system as well. Unfortunately, this is an opportunity frequently used and which has resulted in the use of . . . petroleum burning stoves by many mechanizers. In this respect the lack of departmental gas stations and inadequate control create virtually "ideal conditions" for misappropriations. It is no secret that in some places fuel barrels are left in open fields! Reports received from different parts of the country has led us, in accordance with all the stipulations of the law, to conduct investigations with the participation of the public following the "warehouse-home" line. The data have not been summed up but even partial results of samples taken in Aytos and Kraymorie, Burgas Okrug, the Trakiya APK [Agroindustrial Complex] in Plovdiv, in Stanke Dimitrov, Yambol, and elsewhere, unquestionably prove that in many houses home used oil is of government origin.

Following are additional facts applied to the "case" by our okrug correspondents:

In Ruse Okrug a number of cases of misappropriation of substantial amounts of petroleum have been noted in the homes of about 50 mechanizers in Novo Selo, Pirgovo, and Vyatovo.

In Plovdiv Okrug 62 percent of cars and trucks used in agriculture have faulty odometers.

In Pazardzhik Okrug, investigations in homes of mechanizers led to the confiscation of over 50 tons of misappropriated petroleum. In some places entire barrels were found. The most frequent phenomenon, however, is for the mechanizers to go home every evening carrying a can filled with oil.

Considerable quantities of misappropriated and concealed state-owned oil were discovered at the winery of the Burgas APK.

The logical question is the following: how to classify such activities: should they be classified as misdemeanors, delinquencies, or crimes? How to punish or should we punish their perpetrators?

First Discussion--On Penalties

(St. Stoyanov): With the presumption that the driver or mechanizer has illegally appropriated state petroleum; having proved all the components of the action, we are faced with a clear case of misappropriation which cannot be considered as insignificant or unimportant.

Yet, was it not precisely the fact that the many "insignificant and unimportant" misappropriations led to the introduction of special penalties into the Penal Code for stealing petroleum products! How are such penalties imposed four months following their inclusion?

(G. Chernev): No such cases have been tried in court as yet.

(St. Stoyanov): However, is it possible, sensible, and expedient to prosecute all violators or most of them in such cases?. . .

Considerations of the Moderators

What is the result? Should the driver of a privately owned car be caught with marked gasoline in his tank strict penalties are stipulated by the law, including the confiscation of the car. The misappropriation of petroleum products belonging to the state is essentially the same type of action which, however, does not apply to a private car but a private oil burning furnace and is left unpunished. Is it not necessary for the legislator to make penalties more specific taking into consideration the specific conditions prevailing in agriculture in terms of the kind of fuel, price, and method of acquisition?

It is a question of huge quantities of petroleum now flowing out of this "tank!"

Following is an estimate computed in the course of the discussion, based on one container filled with 10 liters of petroleum:

It was unanimously agreed that the facts should in no case cast aspersions or compromise the 100,000 strong army of agricultural mechanizers! Night and day, throughout the year, this army is in the field, in the struggle for more and better quality farm goods. Examples? . . . Let us merely recall the initiative of the heroes-mechanizers at the beginning of February: to work every 10th day with saved fuel! On

this basis, even though somewhat conventional, the computation was based on the fact that 1,000 mechanizers (one percent of the total), with a container filled every evening with 10 liters of state petroleum over 100 days in winter would result in the fact that in December, January, and February alone one million liters of petroleum were taken out of the "tank" through this "innocent" method. Yet, the computation of the factual amounts would be even beyond a computer since. . . .

Excerpts from the report submitted by the Committee for State and People's Control, following an investigation within the NAPS system, from 10 October to 21 December 1979:

Forty-two sites were checked in 17 okrugs: 8 of them lacked stipulated norms for fuel outlays per unit of output; in 12 of them outlay norms are not differentiated according to the soil characteristics of the area; in 12 of them the amount of work done was inaccurately reported. . . .

Second Discussion--With "Defender" Iv. Burov:

I think that things are not as serious as presented in the discussion so far. All the efforts of the NAPS are focused precisely in the direction of reducing outlays of liquid fuels and raising energy effectiveness. According to the norms issued by the Council of Ministers on fuels and energy, the proper orders have been issued and a number of measures are being implemented. New soil cultivation technologies are being applied. In a number of areas tankers are used for refueling in the field. The "territory" of the Lipatovo method is being expanded, and so on.

"Despite all this, the NAPS 'reservoir' continues to leak! Are you concerned by this?"

There are grounds for concern. . . . even though as a result of the implemented measures, compared with 1978, the 1979 gasoline expenditures dropped by nearly 15 percent! Could we consider this a minor figure?

"No, we cannot! However, something else could be said as well: It is not a question here so much of decisions as it is of their implementation! The various investigations have confirmed that it is precisely their execution that is not entire. . . . Does this mean that the documents themselves do not contain something which "torpedoes" their future implementation? Let us take as an example the norming of work under different natural-weather conditions. A 20 percent tolerance is allowed. Is such a disparity not somewhat exaggerated by the local managers?"

The soil conditions in the country vary greatly even within a single APK. Land is being reclassified and new permanent outlay norms for fuel used in mechanized operations are being formulated. "Could you comment on the statement of the Committee for State and People's Control to the effect that '. . . no profound studies are being made of over-expenditures or fuel savings'?"

This neither could nor does apply to all okrug agroindustrial unions! This task, however, is always topical and faces all local managers. Following the application of the new economic mechanism, every APK manager or manager of a branch farm or brigade must apply and exercise effective control over outlays of fuel and accounting for work done.

This, in fact, is the "master key" which would shut off all the taps through which the oil continues to leak to the rivers and homes. Yes, the following must be accomplished:

A gasoline meter must be mounted at each engine;

Norms must be amended and differentiated, making them realistic and consistent with work under different conditions;

Finally, the practice of leaving the fuel at night in the fields must be eliminated. . . .

The main remaining feature, however, is control! Control in the allocation of fuel, fuel expenditure control, and fuel accountability control. Control and increased responsibility on the part of managers and performers at all levels--in the mechanized team, the brigade, the branch farm, and the APK. This control could and should go hand in hand with various methods--for the time being generally ignored--of social influence and intolerance of encroachments.

. . . . A mechanizer in Pazardzhik was asked how he had procured a barrel of oil which he kept at his home and he frankly and briefly admitted that it was from savings. . . . The latest facts noted by the Ministry of Internal Affairs and of the financial organs provide adequate information as to precisely which are the leaking taps. Adequate information has been acquired as to precisely how to tighten up the taps to prevent the oil from leaking as a result of "economy" achieved in the fields and used at home.

5003
CSO: 2200

CUSTOMS ORDINANCE REGULATES EXPORT-IMPORT OF FOREIGN CURRENCY, GOODS

Sofia DURZHAVEN VESTNIK in Bulgarian 21 Mar 80 pp 251-259

[Ministry of Finance Ordinance No 1 On Customs Control of Items Carried by Individuals Crossing the State Border of the Bulgarian People's Republic]

[Text] Chapter 1.

General Stipulations

Article 1. The present ordinance shall deal with customs control of objects and foreign exchange valuables held in hand-carried or transported luggage by local citizens and foreigners crossing the borders of the Bulgarian People's Republic through the customs routes stipulated in Article 4 of the Law on Customs (ZM) (IZV., No 21, 1960; amended and supplemented, DV, No 66, 1966; point 4 of the Penal Code--DV, No 26, 1968; and the Law Amending the Law on Customs--DV, No 29, 1969, and No 85, 1972).

Article 2. Local and foreign physical persons to be subsequently identified also as travelers may carry through the borders of the Bulgarian People's Republic objects and foreign exchange valuables and handle them only in accordance with the procedure stipulated in the Law on Customs, the Regulation on the Application of the Law on Customs (PPZM) (DV, No 12, 1975, and No 49, 1978), the Law on Deals Involving Foreign Currency Valuables and Foreign Currency Control (ZSVTsVK) (DV, No 51, 1966), the ordinance on border control of foreign exchange valuables (NGKVTs) (DV, No 59, 1966), and the present ordinance.

Article 3. The procedure for passing through the border of objects imported or exported by foreigners enjoying diplomatic immunity on the territory of the Bulgarian People's Republic is stipulated in the Ordinance on the Customs Processing of Luggage and Parcels Imported or Exported by Foreign Missions and Their Personnel (DV, No 71, 1970; amended, No 58, 1971 and No 69, 1978).

Chapter 2.

Obligations of Travelers and Activities of Customs Organs at the Border Customs Control

Article 4. (1) Prior to undertaking the customs control, the customs official must submit to the local persons a customs declaration (Appendix No 4) and to foreigners a customs instruction in one of the languages used in official international relations (Russian, French, English, Spanish, or German), or in any other language understood by the individual should instructions in that language be in print.

(2) The travelers must submit to the customs organs the luggage carried by them and, prior to the customs check, declare in the proper places objects and foreign exchange valuables, as follows: in writing by local residents, and verbally by foreigners.

(3) Customs control of objects and foreign exchange valuables shall be conducted by checking the data supplied by locals in their written declaration and verbally by the foreigners. If necessary the luggage shall be checked in the presence of the owner or his representative; the traveler's person may be checked as well as per Article 72 of the PPZM.

Article 5. (1) Any local 16 years of age or older must fill in a customs declaration.

(2) Information on objects and foreign currency valuables of individuals under 16 shall be entered in the declaration submitted by one of the parents or accompanying individual or else in a separate declaration, should it be necessary for the exchange of Bulgarian leva in countries with whose banks the Bulgarian National Bank (DNB) (Bulgarian Foreign Trade Bank--BVB) has a proper agreement to this effect.

(3) Should an individual under 16 years of age travel without escort, the individual does not have to submit a declaration. However, his luggage is subject to checking in accordance with standard procedures.

(4) Individuals attending border gatherings do not have to submit a customs declaration. They must declare verbally objects and foreign exchange valuables subject to declaring.

Article 6. Locals must declare the following:

1. In leaving the country:

a) Objects carried as gifts, should their overall value exceed 50 leva in Bulgarian retail prices; in accordance with Article 91, point 10, of the PPZM, transport workers must declare all objects regardless of value;

b) More valuable objects (radio sets, tape recorders, Gramophones, photographic cameras, motion picture cameras, musical instruments, typewriters or calculators, etc.), exported for personal use during the trip and stay abroad;

c) Bulgarian leva, foreign exchange, gold, silver, or platinum goods, precious stones, and other foreign exchange valuables;

d) Objects whose export is forbidden (as per Appendix No 1);

2. In entering the country:

a) Gifts and purchased objects, should their overall value exceed 50 leva at Bulgarian retail prices; transport workers must declare all objects regardless of value;

b) Additionally expected objects, regardless of their value;

c) Bulgarian leva, foreign currency, gold, silver, or platinum goods, precious stones, and other foreign exchange valuables;

d) Objects carried by other individuals;

e) Objects whose import is forbidden (as per Appendix No 1).

Article 7. (1) The objects shall be described in the declarations on the basis of their most characteristic features so as to be identified and evaluated. The amounts shall be entered in both figures and letters.

(2) Should objects to be received subsequently have been declared, the traveler shall fill the declaration in two copies, one of which he shall keep and submit in releasing the additionally arrived objects; the other copy shall be kept and retained by the customs for referential purposes. Subsequently expected objects shall be described in accordance with the method stipulated in the preceding paragraph.

(3) Should the passenger not carry objects or foreign exchange valuables to be declared he shall enter in the proper places "do not export" in leaving the country, or "do not import" in entering the country.

(4) Items carried for other people shall be retained by the customs organs for the payment of customs fees and delivered to the recipient whose full name and address shall be entered in the retention receipt.

Article 8. (1) The field declarations shall be checked by the customs official in charge of control who shall sign and date them and apply his

personal seal. Following the control they shall be returned to the travelers. The same shall also be practiced should the traveler have declared that he is not exporting (or importing) objects or foreign exchange valuables.

(2) In the case of objects declared in leaving the country a separate investigation shall be conducted with a signature and the personal seal separated by a line in such a way that no additional items may be subsequently entered.

(3) The declarations shall be in the possession of the individuals both during their travel and stay abroad as well as following their return in the country for the time they remain in possession of the items declared at the point of entry.

(4) In addition to the declaration of imported or exported items and foreign exchange valuables, the declarations shall also be used for exchange of Bulgarian leva, allowed for export, on the territory of the countries with which corresponding agreements to this effect have been concluded; and for submission to the BVB (granted to the BNB) declared foreign exchange and other foreign exchange valuables, with proof of the right to handle the objects declared in entering the country.

(5) The individuals shall be held liable as per Article 56 of the ZM for the loss or destruction of the declaration during their travel and stay abroad.

Article 9. (1) Prior to the customs control foreigners shall sign a submitted customs instruction certifying that they have read it and shall declare verbally the following:

1. Entering the country:

a) Objects carried as gifts, should their overall value exceed 50 leva at Bulgarian retail prices;

b) More valuable objects (radio sets, tape recorders, Gramophones, photographic cameras, motion picture cameras, musical instruments, typewriters or calculators, etc.), imported for personal use during their travel and stay in our country.

c) Bulgarian leva, gold, silver, or platinum goods, precious stones, and other foreign exchange valuables excluding foreign exchange currency;

d) Samples of goods regardless of their nature;

e) Objects whose import is forbidden (as per Appendix No 1);

2. In leaving the country:

a) Items acquired in the Bulgarian People's Republic (purchased or received as gifts), should their overall value exceed 50 leva in Bulgarian retail prices;

b) Bulgarian leva, gold, silver, or platinum goods, precious stones, or other foreign exchange valuables, excluding foreign currency;

c) Samples of goods regardless of their nature;

d) Objects whose export is forbidden (as per Appendix No 1).

(2) The more valuable items for personal use declared in entering the country, as per paragraph 1, "b" shall be listed by the customs organs in the visa cards or passports (road stubs) of the foreigners. Such entries shall be signed and dated and sealed with the individual seal of the customs official and shall be grounds for unhindered subsequent export of such items.

(3) Samples of goods shall be subject to the formalities governing temporary imports or transportation only after payment of customs dues in leva obtained on the basis of foreign currency exchanged in accordance with legal procedures.

Article 10. (1) Individuals who have failed to declare objects and foreign exchange valuables subject to declaring shall be held liable in accordance with the stipulations of the Law on Customs and the Penal Code.

(2) Liability as per the Law on Customs shall also be charged for failure to bring back items for personal use exported by locals, or failure to take out of the country objects for personal use imported by foreigners.

Chapter 3

Procedure for Passing Items Across the Border

Section I.

General Regulations

Article 11. (1) The items listed in Appendix No 1 may not be imported or exported with the exception of the stipulated cases.

(2) Items indicated in Appendix No 2 may not imported without customs fees with the exception of the stipulated cases.

(3) It is forbidden to import objects whose quantity exceeds double the norms stipulated in Appendix No 3 with the exception of the cases stipulated in the list.

Article 12. (1) Objects exceeding the limits for customs-free import or export shall be allowed to pass after the payment of the due customs fees based on the Customs Dues Rates for Goods Imported and Exported by Physical Persons (DV, No 80, 1979).

(2) Should the traveler export or import a single item whose value exceeds the limit of the passenger for customs-free import or export, its partial taxation may be allowed covering the value exceeding the limit. No partial taxation of an object imported by a transport worker shall be allowed.

(3) Locals who are members of a single family traveling together may pool together their rights for tax-free imports or exports.

Article 13. (1) Rights to duty-free imports or exports must be proved to the customs with official documents issued in the country or abroad.

(2) Documents issued by foreign organs must be translated into the Bulgarian language and certified by competent Bulgarian authorities.

Article 14. (1) In the case of customs dues owed by locals, regardless of their amount, the customs office may issue customs bills to be paid within a stipulated deadline.

(2) Should the person disagree with the assessment and the customs fee, no customs bill shall be issued but the objects shall be retained by the customs office for the payment of the customs dues in accordance with general procedures.

(3) By request of the traveler and at his expense retained items may be transported via "Communal Services" for payment of dues in another customs office. The request shall be entered in the receipt issued for the retained items.

(4) Customs fees procedures may be appealed as per Article 37 of the ZM and Article 81 of the PPZM.

(5) In the case of locals assigned or sent to work abroad or to specialize for a term in excess of six months customs bills may be presented only following their final return.

Article 15. (1) The amount of customs dues owed by locals shall be lowered by 50 percent should payment be made in foreign exchange acceptable by the Bulgarian National Bank in accordance with the exchange

rates as listed in the bulletin. Should the customs dues be paid in socialist currency the rates stipulated in Table II of the BNB bulletin "On Some Noncommercial Payments" shall apply. The bank document shall be added to the import receipt.

(2) Customs fees owed by foreigners shall be paid in leva acquired legally in the Bulgarian People's Republic--through the exchange of foreign currency acceptable by the BNB in accordance with stipulated procedures, earned fees, Bulgarian Savings Bank deposits, etc. The customs document shall indicate the origin of the amount paid and the number of the document proving the origin. In the case of payment in leva acquired as a result of the exchange of foreign currency the bank document shall include the amount of customs fees paid.

(3) Foreigners shall not benefit from a reduction of the amount of customs fees should they pay in foreign exchange as stipulated in the preceding paragraph and as applicable to locals.

Section II.

Rights of Local Individuals

Article 16. (1) Locals may export duty-free:

1. Items for personal use consistent in terms of type and quantity with the profession of the traveler, and the duration and purpose of the travel;

2. Goods for personal consumption;

3. Items for gifts whose value shall not exceed 50 leva in Bulgarian retail prices, including alcoholic beverages and tobacco goods, excluding quantitites for personal consumption. This right does not apply to transport workers.

(2) Individuals married to foreigners, their parents, brothers, sisters, grandfather, and grandmother may export duty-free on a one time basis wedding gifts worth 200 leva at Bulgarian retail prices in addition to gifts as stipulated in the preceding paragraph.

(3) Travelers going abroad with their private motor vehicles may export duty-free no more than 40 liters of gasoline (gas oil) in excess of the amount contained in standard vehicle tanks. The export of gasoline (gas oil) in excess of such amounts is forbidden.

Article 17. Regardless of the purpose of their stay abroad, locals may import duty-free:

1. Exported items for personal use;

2. Items for personal consumption;

3. Items acquired abroad (purchased, received as gifts, and so on), for personal or family use.

Article 18. (1) The items as per Article 17, point 3, shall be allowed in accordance with the norms stipulated in Appendix No 3 and in the following amounts:

1. For those who have stayed abroad for private reasons (visit, tourism, treatment, etc.)--an overall value of 200 leva at Bulgarian retail prices; the same rights shall be enjoyed by individuals studying abroad and coming home during vacations;

2. Students studying abroad in their definitive return--an amount equaling 40 percent of their scholarship (upkeep) received in the course of their training;

3. Individuals assigned or sent to work or specialize abroad, or who have worked abroad with the permission of Bulgarian competent authorities for no more than six months--70 percent (or, in the case of individuals in water transportation--100 percent) of their per diem funds or wages.

(2) The value of the objects imported by individuals as per points 2 and 3 of the preceding paragraph shall be based on the prevailing prices in the country of the purchase, on the basis of receipts, payment notes, catalogs, or other information on prices charged in the respective country. Should no such document be available, the importer shall enter the purchase prices in his customs declaration.

(3) Should per diem funds be at the expense of the foreign enterprise, establishment, or organization, exceeding those stipulated in the Ordinance on Official Assignments and Specialization Abroad (DV, No 74, 1973; amended, No 6, 1977), the right to duty-free imports shall be based on the amount of the per diem payments stipulated in the ordinance.

(4) Individuals assigned abroad for a short time (excluding transport workers) may opt either for the right of those assigned abroad or individuals traveling on private business.

(5) Should a person assigned abroad for a short time import a single object whose value in the country where the item was purchased exceed 70 percent of his per diem funds, the item shall be assessed on the basis of Bulgarian retail prices and fees shall be paid for the difference in excess of 200 leva; should the importer be a transport worker, the item shall be taxed at full value.

Article 19. (1) In their definitive return home, individuals who have been assigned or sent to work or specialize or have worked abroad by permission of Bulgarian competent authorities for a period in excess of six months may introduce duty-free objects purchased abroad for personal or family use in accordance with the norms stipulated in Appendix No 3.

(2) Such individuals, returning home on leave, may introduce duty-free objects for personal and family use worth 300 leva at Bulgarian retail prices with the exception of the items listed in Appendix No 2. In the case of workers and specialists working in the Komi ASSR the maximum is 1,000 leva but in accordance with the norms stipulated in Appendix No 3.

Article 20. Foreign exchange received as a gift, reward, inheritance, or for work done abroad without the permission of Bulgarian competent organs, purchased from the bank, saved from previous assignments, specialization, or work abroad, does not entitle the owner to import duty-free items purchased with such currency.

Section III.

The Rights of Foreigners

Article 21. (1) Regardless of their purpose for visiting the Bulgarian People's Republic, foreigners may import duty-free:

1. Items for personal use, consistent in type and quantity with the profession of the traveler, and the duration and purpose of his travel and stay;

2. Personal consumption items;

3. Items for gifts worth 50 leva at Bulgarian retail prices.

(2) Individuals entering the Bulgarian People's Republic for the purpose of marrying a local individual, as well as their parents, brothers, sisters, grandfather, and grandmother may introduce on a one-time basis, duty-free, wedding gifts worth 200 leva at Bulgarian retail prices in addition to gifts stipulated in the preceding paragraph.

Article 22. (1) Regardless of the purpose of their stay in Bulgaria, foreigners may take out duty-free:

1. Imported items for personal use;

2. Personal consumption items;

3. Gifts and purchased objects worth 50 leva at Bulgarian retail prices.

(2) The following shall also be passed duty-free:

1. Goods purchased with foreign exchange in specialized stores on Bulgarian territory, as certified by a document issued by the store showing data on the type of items, their quantity, and their value;

2. Objects for individual and family use purchased with foreign currency exchanged in accordance with legal procedures as certified by the bank exchange document;

3. Hunting trophies, accompanied by a document issued by the Ministry of Forests and Forest Industry.

(3) Individuals who have worked, specialized, or assigned, or received fees for work done in Bulgaria may export duty-free items for personal and family use equivalent to the amount of their earnings (salaries, per diems, fees, etc.).

(4) Individuals traveling in their personal motor vehicles shall take out duty-free only the fuel contained in normal vehicle tanks. The export of fuel exceeding such quantities shall be allowed against payment of a fee in accordance with the Customs Tariff on Taxation of Goods Imported or Exported by Physical Persons.

Article 23. (1) Individuals traveling in transit through the territory of the Bulgarian People's Republic shall be allowed to bring in and take out duty-free all of their belongings unless the import of such items is forbidden and providing that they have been declared as per Article 9.

(2) The hand-carried luggage may contain consumption and personal use items in quantities required for the duration of the travel through Bulgarian territory.

(3) The procedure followed in the case of hand-carried and other luggage containing objects exceeding the quantities stipulated in the preceding paragraph shall be based on the stipulations of Article 75 of the PPZM.

Section IV.

Rights of Individuals Residing in Border Areas and Individuals Attending Border Gatherings

Article 24. (1) Locals and foreigners living in border areas and equipped with special documents for crossing the border through specific control-entry points may export and import the following items duty-free:

1. Items for personal use;

2. Items for consumption in quantities stipulated in the special agreements concluded between the Bulgarian People's Republic and the neighboring countries;

3. Gifts and purchased items whose total value shall not exceed 35 leva at Bulgarian retail prices.

(2) Individuals attending border gatherings shall have the rights stipulated in paragraph 1.

(3) Individuals attending border gatherings have no right to import or export (even with the payment of customs fees) gifts and items purchased in excess of the limit stipulated in paragraph 1, point 3.

Section V.

Rights of Settlers and Heirs

Article 25. Movable property for personal and family use of individuals who are resettling permanently from the Bulgarian People's Republic to a foreign country (emigrating) or from a foreign country to the Bulgarian People's Republic (immigrating) shall be duty-free providing that it is brought in or taken out within three months of the resettling (Article 91, point 9, and Article 92, point 1, of the PPZM).

Article 26. (1) Used items parts of an inheritance may be allowed to pass duty-free (Article 93, point 2 of the PPZM) if brought in or taken out within one year of the establishment of the legacy. This right may be exercised both by the legal heirs as well as heirs named in the Last Will and Testament and must be proved with a copy of the death certificate, a certificate of heritage or legacy or, if necessary, the document certifying to the division of the legacy.

(2) Items purchased with inherited funds shall not be considered inherited property and shall be subject to the procedure governing purchased items.

Chapter 4.

Disposal of Items Imported for Personal and Family Use

Article 27. (1) Items imported for personal and family use may not be sold, leased, left for safekeeping, rented out, or pawned within three years of the date of the import.

(2) The date of import shall be certified on the basis of an import receipt, a customs declaration, post office document, or any other customs document governing imports.

Article 28. (1) By request of the interested individuals the customs authorities may allow the disposal of imported objects even before the expiration of the term as per Article 27 after collecting the customs fees owed.

(2) Should the importer have no document certifying the import date he may dispose of the item by permission of the customs organs and pay any import fees due.

Article 29. (1) Disposal of items introduced for personal and family use prior to the lapse of the three-year term and without the knowledge and permission of the customs authorities may be prosecuted as per Article 52, letter "a" of the Law on Customs--for items imported duty-free--and per Article 56 of the Law on Customs for items on which duty was paid.

(2) In accordance with the stipulations of Article 56 of the Law on Customs officials of secondhand goods stores who accept for sale an imported item whose owner has not submitted a customs document entitling him to dispose of the item may be held liable as well. Items worth no more than 50 leva at Bulgarian retail prices may be the only ones accepted without the presentation of such a document.

Additional Stipulations

1. The meaning of some terms used in the sense of this ordinance shall be the following:

1) "Locals" shall apply to all individuals permanently residing in the Bulgarian People's Republic regardless of their citizenship; individual who are abroad on assignment by the Bulgarian state or Bulgarian enterprises and organizations and members of their families; individuals who have stayed in excess of six months in Bulgaria with the intention to settle in the country (Article 4 of the ZSVTsVK);

2. The term "foreigners" shall apply to all individuals whose permanent residence is abroad, regardless of citizenship; individuals who have left the Bulgarian People's Republic for a period in excess of six months or with the intention of settling abroad (Article 5 of the ZSVTsVK);

3. The term "foreign exchange valuables" shall apply to the following:

a) Foreign bank notes, coins, or paper money considered legal tender abroad;

b) Checks, drafts, payment orders, transfers, letters of credit, and others issued in foreign currency;

c) Foreign valuables (stocks, bonds, their stubs, etc.);

d) Gold, silver, and platinum in coins, ingots, raw or processed, and precious stones subject to deals between locals and foreigners or for export and import exceeding the usual dimensions;

e) Bulgarian bank notes, coins, and valuables should they be the subject of export and import;

f) Checks, drafts, money orders, payment orders, and others issued in leva, if subject to deals between locals and foreigners or deals involving export and import (Article 3 of the ZSVTsVK);

4. The term "personal use items" shall include clothing, shoes, toiletries, portable radio sets, photographic cameras, motion picture cameras, musical instruments, typewriters, sports and hunting equipment, and other similar objects for personal use by the traveler in the course of his travel and stay in the visiting country, and consistent in type and quantity with the profession of the traveler, and the duration and purpose of his travel;

5. The term "items for personal consumption" shall include food products consistent in type and quantity with the individual needs of the traveler in the course of his travel to his place of arrival, whose consumption does not require any special handling, as well as beverages and tobacco goods (for travelers older than 16), in the following quantities: one liter of alcoholic beverages; two liters of wine; 250 cigarettes, or 250 grams of other tobacco goods;

6. The term "gifts and purchased items" shall be items introduced in the country of temporary residence as gifts to individuals residing on the territory of that country; items purchased in the country of temporary residence with legitimately imported or obtained currency and exported to the homeland for personal and family use, for the household, or as gifts; items obtained as gifts from individuals residing on the territory of the country of temporary residence;

7. The term "transport workers" shall apply to individuals listed in Article 91, point 10, of the PPZM--crews of Bulgarian ships, airplanes, trains, and motor vehicles;

8. The term "official documents" shall apply to all documents issued in accordance with the stipulated procedure and form by officials as part of their duty or by representatives of the public within their range of functions;

9. The term "settlers" shall apply to individuals who are taking permanent residence abroad, coming from the Bulgarian People's Republic,

or coming to the Bulgarian People's Republic from abroad; also considered settlers shall be foreigners who have married locals and who come to live in the Bulgarian People's Republic for over six months; locals who have married foreigners and are leaving for permanent residence abroad for over six months; foreigners who have married locals, have lived in Bulgaria no less than one year, and are permanently leaving the country; locals who retain their Bulgarian citizenship but depart to live permanently abroad with their children or with other foreigners;

10. The term "members of the family" shall include the spouses, minor children, adult children in the armed services, full-time secondary or university students, the incapacitated or officially disabled, regardless of age;

11. The term "music systems for professional purposes" shall include all music systems, amplifiers which could reproduce simultaneously sounds from several sources (musical instruments, microphones, tape recorders, Gramophones, and others), as well as special amplifiers for guitars, voice, ionizing, and so on, regardless of power.

Concluding Stipulations

2. The present ordinance is issued on the basis of Articles 31, 32, and 75 of the Law on Customs, Article 78 of the Regulation on the Application of the Law on Customs, and shall be effective as of 1 April 1980; it shall replace the Ordinance on the import and export of items by physical persons in crossing the border (DV, No 82, 1975; amended and supplemented, No 95, 1976 and No 96, 1977).

Minister: B. Belchev

Appendix No 1 to Article 6, point 1, letter "d"

List of items whose import into or export from the Bulgarian People's Republic is forbidden

I. Items Whose Import and Export is Forbidden

1. Fire or cold arms, military equipment, ammunition, explosives, incendiary or toxic substances.

2. Narcotic drugs and attachments for their use.

3. Pornographic items.

4. Printed works, cliches, negatives, still and motion picture films, still shots, paintings, drawings, drafts, manuscripts, records, and tapes,

and so on, which are harmful to the socialist states politically, economically, or ideologically.

5. Goods for commercial purposes or production; goods samples.

Remarks:

1. The items listed in points 1 through 4 may not be carried in transit through the territory of the Bulgarian People's Republic.

2. The ban on import and export of goods samples does not apply to foreign physical persons who have declared them as per Article 9 of Ordinance No 1 on customs control of items carried by individuals crossing the state border of the Bulgarian People's Republic (DV, No 23, 1980).

3. The import and export of weapons and ammunition for competitive purposes and private use is allowed by permission of the organs of the Ministry of Internal Affairs. Foreigners in transit or temporary residents of the country may import and export their personal hunting or individual weapons without permission but must mandatorily declare them at the control-passing points.

II. Items Forbidden for Export

In addition to the items listed in Section I, the following items may not be exported:

1. Antique objects and works of art such as paintings, rugs, tapestry, ikons, church and household objects, musical instruments, Bulgarian and foreign coins made of precious or nonprecious metals of historical, archeological, antiquarian, or numismatic value or considered monuments of culture.

2. Clothing for babies and children, including knitwear; shoes for babies and children.

3. Sheeting, unbleached calico, and items made of them such as pillow cases, bed sheets and panties.

4. Persian-type rugs and carpets.

Remarks:

1. The items listed in point 1 may be exported on an exceptional basis by permission of the Committee on Culture.

2. Items as per points 2, 3, and 4 may be exported if purchased with foreign exchange at the specialized stores on Bulgarian territory.

Appendix No 2 to Article 11, paragraph 2

List of Items Whose Duty-Free Import is Forbidden

I. Items Which May Not Be Imported Duty-Free Regardless of the Country of Origin and the Individual Importing Them

1. Timber processing, metal processing, and other machines and equipment for professional use.

2. Boat motors developing over 10 horsepower.

3. Stoves, installations, and others operating on liquid fuels extracted from petroleum.

4. Electric pianos, ionizing instruments, organs, and percussion musical instruments.

5. Sound systems for professional purposes regardless of amplifier capacity.

6. Sound systems for domestic use, whose sine capacity is the following: monoamplifier, in excess of 50 watts; stereo amplifier, more than 2 x 50 watts; quadraphonic systems over 4 x 25; amplifiers for sound systems with a power in excess of 75 watts; loud speakers with a power in excess of 30 watts.

Remarks:

This ban shall not apply to used objects considered part of the movable property of individuals settling in the Bulgarian People's Republic.

II. Items Whose Duty-Free Import from Nonsocialist Countries is Forbidden

1. Timber processing, metal processing, and other machines and equipment for household or hobby use.

2. Typewriters and adding machines.

3. Sound systems for household use, amplifiers and speakers, regardless of power.

4. Musical instruments.

5. Tape recorders, Gramophones, radio tape recorders, and radio Gramophones.

6. Stoves, radiators, boilers.

7. Washing machines.

8. Refrigerators.

9. Sewing and knitting machines.

10. Movie cameras, photographic cameras, projection equipment, and photo laboratory equipment.

11. Boat engines regardless of horsepower.

12. Furniture.

13. Bathtubs.

14. Prefabricated houses and garages.

15. Tourist trailers for passenger cars.

16. Rugs, Brussels carpets, floor covers.

17. Washing machines.

18. Bicycles.

Remarks:

This ban shall not apply to the following:

a) Objects whose unit value is under 200 leva at Bulgarian retail prices;

b) In the case of individuals earning part or all of their wages in nonconvertible or nontransferrable currency; this exception shall apply only in the case of their definitive return;

c) Objects imported by individuals who establish permanent residence in the Bulgarian People's Republic.

Appendix No 3 to Article 19, paragraph 1

Norms Governing Duty-Free Imports of Some Items Entitled to Duty-Free Imports

1. Cooking ranges--one per family.
   Heating stoves (electric heaters)--two per family.

2. Refrigerators--one per family.

3.	Washing machines	one per family
4.	Dishwashing machines	" " "
5.	Boilers	" " "
6.	Bathtubs	" " "
7.	Vacuum cleaners	" " "
8.	Floor polishers	" " "
9.	Sewing machines	" " "
10.	Knitting machines	" " "
11.	Typewriters--with the Cyrillic alphabet	" " "
	With other alphabets	" " "
12.	Portable adding machines	" " "
13.	Timber processing, metal processing, and other machines and equipment for household or hobby use	one of each kind per family
14.	Sound systems for household use whose sine power is as follows: monoamplifier, no more than 50 watts; stereo amplifier, 2 x 50 watts; quadraphonic 4 x 25 watts	one per family
	amplifiers for sound systems with a capacity not exceeding 75 watts.....	two per family
	loudspeakers with a capacity not exceeding 30 watts.....	one per family
15.	Tape recorders or radio tape recorders for home use (stereo or mono).....	one per family
	for passenger cars (stereo or mono).....	" " "
16.	Gramophones or radio Gramophones for household use (stereo or mono).....	one per family
17.	Radio receivers for household use.....	" " "
	For passenger cars or portable.....	" " "

18.	Television sets for the home (color or black and white).....	one per family
	Portable.....	" " "
19.	Musical instruments: grand piano or piano....	one per family
	other.....	one of each kind per traveler
20.	Motion picture and still cameras, projection apparatus, and photographic laboratory equipment.....	one of each kind per traveler
21.	Bicycles	one per family member
22.	Boat engines not exceeding 10 hp.	one per family
23.	Prefabricated houses and garages	" " "
24.	Rugs	24 square meters per family.
25.	Brussles carpets (or other floor covers)	50 square meters per family.
26.	Fabrics--wool or wool type	20 meters per family
	Other	50 meters per family
27.	Automobile tires	5 per family
	For transport workers	1 per traveler

Remarks:

1. The import of items not included in the above list shall be allowed in accordance with norms stipulated by the chief of the customs office in accordance with the personal and family requirements of the traveler.

The import of items in quantities more than double the amount stipulated in the list and the norms stipulated by the customs chief may not be allowed even with the payment of customs fees.

2. The above restrictions shall not be applicable to used objects imported by individuals settling in the Bulgarian People's Republic.

3. The import of used automobile tires shall be allowed in accordance with the stipulations of Article 10, paragraph 3, of Ordinance No 2 on the customs processing of motor vehicles (DV, No 3, 1976).

4. In the case of point 26, wool-type fabrics shall include all types of fabrics for upper clothing made of artificial or synthetic fibers; the term "others" shall include cotton, linen, silk, and cotton-, linen-, and silk-type fabrics made of artificial or synthetic fibers.

5. The customs offices shall send a transcript of the receipt issued on importing sound equipment, pianos and grand pianos to the file kept by the Sofia customs office. The duty-free import of second sound systems, pianos, and grand pianos shall be allowed three years following the date of the import of the first instruments.

Appendix No 4 to Article 4, paragraph 1

Bulgarian People's Republic

Customs Declaration

(Before filling read instructions on the back)

Personal name, patronymic and family name:.....
Current address: City (village).....
Street Number (okrug).....
Passport number.....Issued by.....
on.....19.....

I am leaving for.....for a period of.....
days (months, years).

Purpose of trip abroad.....
(visit, tourism, treatment, assignment, specialization, work, others)

Leaving the Bulgarian People's Republic I declare the following:
My luggage consists of.....
suitcases, bags, packages, and so on, and I take out the following:
A. Items
1. For personal use during the travel and stay abroad.....
(declare items of greater value such as radio sets, tape recorders, still cameras, motion picture cameras, typewriters, others).....

2. As gifts.....(declared if their value exceeds 50 leva Bulgarian retail prices; crews of ships, airplanes, trains, or motor vehicles must declare all gifts regardless of value)...

3. Items forbidden for export.....

B. Foreign Exchange Valuables

1. Bulgarian leva.....(amount entered in figures and letters)

2. Foreign currency.....(figures and letters).

Received from the Bulgarian National Bank (Bulgarian Foreign Trade Bank) with Permit No.....dated.....19.....

3. Gold, silver, or platinum goods, precious stones, and other foreign exchange valuables.....(checks, drafts, payment orders, letters of credit, payment instructions, transfers, accreditation documents; foreign valuables--stocks, bonds, stock and bond coupons, and others; Bulgarian and foreign stamps, and others).....

Customs inspector: Traveler:
....
(Signature and individual seal) (Signature)

Date.....19.....

I am coming from.....

Entering the Bulgarian People's Republic I declare the following:

My luggage consists of.....suitcases, bags, parcels, and others.

I return items taken out by myself for personal use and import:

A. Items

1. Items acquired abroad (purchased or received as gifts).....
(must be declared if their overall value exceeds 50 leva at Bulgarian retail prices; crews of ships, airplanes, trains, and motor vehicles must declare all items acquired abroad regardless of value).....

2. I expect to receive subsequently .....
(items to be received subsequently must be described like those of point 1, based on their most characteristic features).....

3. I am carrying for other individuals.....
(items which the traveler is carrying for other individuals must be indicated).

B. Foreign exchange valuables.

1. Bulgarian leva.....(figures and letters).

2. Foreign currency of which:

a) Official.....
b) Personal..... (figures and letters).

3. Gold, silver, or platinum items or precious stones.....
(described according to type, weight, or carats)

4. Other foreign exchange valuables.....

C. Items whose import is forbidden.

.....

Customs inspector:

.....
(Signature and personal seal)

Traveler:

.....
(Signature)

Date.....19....

To the Bulgarian National Bank (Bulgarian Foreign Trade Bank)

Branch.....

To be filled by the traveler who imports personal foreign exchange and other foreign exchange valuables retained by the customs inspector to be sent to the corresponding branch of the Bulgarian National Bank or Bulgarian Foreign Trade Bank

.....(first, patronymic, and family name)
From city (village).....
Street number (okrug).....
Employed at.....(enterprise, establishment)
Individual passport number.....
/19...., issued by.....
Returning from abroad, I declare import in the following foreign currency valuables:
a) Foreign currency.....
b) Gold, silver, or platinum items....
.....
c) Other foreign exchange valuables...
.....
I acquired the foreign exchange valuables as the result of .....
(work abroad, assignment, gift, purchased from the Bulgarian National Bank, and others)

Customs inspector:.....
(Signature and personal seal)

Traveler:.....
(Signature)
Date.....19.....

Instructions

The declaration must be filled by any local 16 years of age or older and submitted, along with luggage, to the customs control organs for investigation.

Items and foreign exchange valuables belonging to individuals under 16 years of age shall be entered in the declaration of one of the parents or the accompanying individual, should they be traveling without their parents. A separate declaration may be filled in their case should the exchange of foreign leva be required in countries with whose banks the Bulgarian National Bank (Bulgarian Foreign Trade Bank) has agreements (GDR, Mongolia, Poland, Romania, USSR, Hungary, Czechoslovakia).

The purpose of the declaration shall be the following: to declare exported or imported objects and foreign exchange valuables; exchange Bulgarian leva legally acquired; depositing to the Bulgarian Foreign Trade Bank (granting the Bulgarian National Bank) declared foreign currency and other foreign exchange valuables; proof of the date of import of declared items in their disposal (sale, gift, etc.).

Such declarations must be kept during the travel and stay abroad and following return to the country, for as long as the individual has in his possession the declared imported items.

Liability as per Article 56 of the ZM may be sought for loss or destruction of the declaration in the course of the travel and stay abroad.

Should the traveler expect additional luggage the declaration must be filled in two copies one of which shall be retained by the customs authorities.

Exported items for personal use must be returned to the Bulgarian People's Republic. The individual may be held liable as per Article 52, letter "b" of the ZM for nonreturned items.

Liability as stipulated in the Law on Customs and the Penal Code shall be sought for items and foreign exchange valuables subject to declaring yet nondeclared.

It is forbidden to export or import:

1. Fire or cold arms, military equipment, ammunition, and explosive, incendiary, or toxic substances.

2. Narcotic drugs and attachments for their use.

3. Pornographic objects.

4. Printed works, cliches, negatives, photographic and motion picture strips, films, photographs, paintings, drawings, drafts, manuscripts, Gramophone and tape recordings, and others harmful to the socialist states politically, economically, or ideologically.

5. Goods for commercial purposes or production; samples of goods.

Antique objects and works of art--paintings, drawings, portraits, sculptures, graphic works, carpets, tapestries, ikons, church and household objects, musical instruments, or Bulgarian and foreign coins made of rare or nonrare metals of historical, archeological, antiquarian, or numismatic value or else proclaimed cultural monuments may be exported on an exceptional basis by permission of the Committee on Culture.

The following may not be exported: clothing and shoes for babies and children; sheeting calico and items made of them; Persian-type rugs and carpets.

Travelers, inquire of the customs organs about any customs regulation of interest to you.

5003
CSO: 2200

SOCIALIST MEDICARE BLAMED FOR MEDICINE SHORTAGES

Prague TRIBUNA in Czech No 9, 27 Feb 80 p 12

[Article by Vaclav Sebor: "Health for a Pittance or Drugs Cost Money"]

[Text] Czechoslovakia was the first country to introduce free drugs for every citizen. Free health care and availability of all necessary drugs is taken for granted but nobody thinks of the complexity of the task and the tremendous cost of providing such great quantities of the many needed types of drugs.

Recently, however, many people may have encountered certain difficulties in getting drugs.

Welcome Consumption

How do we assess the current consumption of drugs?

From health, social and economic aspects it is a healthy phenomenon. The introduction of new drugs to eliminate tuberculosis, for example, made it possible not only to switch the patients to ambulatory care but has also freed about 5,000 hospital beds for use by old and long-term patients in the CSR. Expenditures for the treatment of tuberculosis have increased 10-fold but health care, health insurance and social security costs have decreased as a result. The saving: 150 million korunas.

Drugs produced in tremendous quantities made many other things happen. In the CSR only, for example, in each population year, thanks to drugs the survival rate of newborn infants has risen by 20,000. It is the drugs, the modern effective substances which have helped develop all fields of medicine including today's bold surgical procedures and made also "ordinary" stomach, gallbladder and hernia operations safer with regard to diagnosis, presurgical preparation, surgery itself and post-surgical care. New drugs used in surgery are saving the lives of people who until recently for a variety of reasons could not undergo surgery. The spectrum of available drugs is steadily increasing by the addition of new highly effective hypertension controlling drugs, antibiotics, hormonal preparations, cytostatics and others. It needs to be stressed that new effective drugs including their production are very expensive.

The cost of producing drugs is skyrocketing. While in 1960 in the CSSR the cost came to about 906 million korunas, in 1977 the amount exceeded Kcs 3 billion. Over mere 17 years cost have risen by 235 percent.

To insure economic use of drugs, the so-called rational drug therapy method was introduced and supervised by the Central Commission For Rational Drug Therapy, established in 1959 within the Ministry of Health. Today, sub-committees are active in krajs, okreses and large individual health installations. They proceed on the basis of a seemingly simple principle: to use all available advanced research of medical science for the rational use of drugs in therapy to restore health as best and as fast as possible. But in practice the application of this method is predicated on the physicians' degree of knowledge and familiarity with all the latest available drugs. Let us only recall the daily picture at obvod health centers. How many of us insist on getting "our" drug, how diffidently we approach new preparations as patients. It is left to the physician and his constantly updated knowledge to convince not only us as patients but on the basis of therapeutic results also himself that he is prescribing the fastest-acting and most suitable drugs. It goes without saying that such therapy is also the best. The amount of money which our society spends on drugs is considerable. In 1965 the per capita expenditure was Kcs 89, 2 years ago it amounted already to almost Kcs 215.

Why There is a Shortage of Drugs

All the above had to be said. But the stark reality is that last year there was a shortage of a whole number of drugs. The pharmacists were saying they were out of them. Many preparations were also unavailable in health institutions. With a prescription in hand we "tried our luck" in several pharmacies, frequently in vain.

Are the causes to be found only in our pharmaceutical industry or do they go deeper?

Almost three-fourths of all drugs are currently being produced domestically, more than 20 percent are being imported from socialist states and roughly 5 percent from capitalist states. Therefore, the Czechoslovak pharmaceutical industry plays the principal role in supplying drugs but it produces them largely from imported raw materials whose prices are steadily rising on world markets.

It is only seldom realized that our pharmaceutical industry serves also the needs of agriculture be it in the form of biological factors or feed supplements. Here too the issue is health--but that of animals. In addition, export demands must be taken into consideration because drugs are also being exported.

In 1979 our pharmaceutical industry produced drugs for preventive therapeutic care in the value of 1.490.300,000 korunas, 424 million for export to socialist countries and 557 million for export to capitalist countries.

But agriculture, domestic trade and other customers used more than Kcs 1.001.516,000 worth of drugs from last year's supply. Therefore, aside from exports, more than half of all the output went for other than preventive care. This "achievement" and specific characteristic of our pharmaceutical industry consumes further expenditures and additional foreign exchange. Would it not be better if this commerical part of production was assigned to the ministries involved, for example to chemistry?

The question can be also reversed: what are other ministries contributing to health care? Especially agriculture on whose production our pharmaceutical industry is so dependent, namely on raw materials derived from the cultivation of ergot and poppy.

For agriculture the answer is not favorable. The poor 1978 harvest eliminated a considerable part of the quantities contracted for. True, the situation is more favorable today but until recently the reduction of the cultivation area of ergot and poppy had a deleterious effect on supply. In many cases fields alotted to schools provided relief and will be of help in the future primarily by cultivating poppy. Health care is a national priority in our country but experience demonstrates that many managers in agriculture do not yet see it that way.

The pharmaceutical industry needs organic and also inorganic substances. This is where the chemical industry comes in. But recently our large-scale chemical industry has treated the pharmaceutical industry as a step-child by discontinuing some production processes whose products were indispensable for the production of drugs which resulted in the necessity of importing them to about an average of Kcs 9 million a year in delivered prices. The shortage of ergot and poppy had a similar effect but in the opposite sense because it involves, aside from domestic production, primarily also the export of alkaloids produced domestically. And here the harsh equation which renders the volume of exports dependent on the volume of imports comes into play. Since our health care system is still bound by this rule, the above-mentioned poor 1978 harvest reduced its import potential in the subsequent year. And in 1979 the export of ergot morphine alkaloids accounted for 27 percent of our drug imports. In 1975, for example, the export of alkaloids yielded full 42 percent of the foreign exchange spent on drug imports.

But this is by far not the complete list of problems besetting our pharmaceutical industry today. Again, the question arises: are they really only the problems of this particular industry? Thus, among other things, the procurement of packaging materials also constitutes a problem; due to this shortage the needed quantity had to be imported from abroad.

Our industrial production of drugs is still dependent on the timely and uninterrupted importation of raw materials and supplies from nonsocialist countries. Twenty percent of each koruna's worth of drugs produced comes from imports which is why the availability of drugs to a large extent depends also on the timely and uninterrupted import of pharmaceutical raw materials. All these difficulties account for the continuing shortage of some drugs.

Where is the Solution?

In first place in more consistent cooperation between socialist countries within the CEMA framework. Greater self-sufficiency in raw materials would make a great difference. So far, cooperation is developing promisingly but last year internal difficulties analogical to ours have caused delays of some deliveries. A 3 months delay then manifested itself in a very strained supply situation of domestic production. Our socialist suppliers then did their utmost to catch up with delivery schedules which led to an improvement of the situation already in the last quarter of last year.

In October 1979 the supply of drugs was about 11 percent short and even now all needed drugs are still not in adequate supply. The difficulties which became so manifest in the beginning of last year had to be speedily overcome, largely as a result of the resolution of the CSSR Government and the CSSR Government Presidium passed in May and June 1979. It became apparent at the same time that all the difficulties cannot be overcome in a single year. In the past the Czechoslovak pharmaceutical industry has not been developing evenly and errors were committed also in the development of the raw material and supply base. A fundamental change did not occur until after the passage of the resolutions by the CSSR Government Presidium and the governments of both republics in recent years and primarily the adoption of the important document dealing with the principal health policy objectives after the 15th CPCZ Congress in October 1977. This document placed the pharmaceutical industry among the developmental branches of industry and goals were set for its development until 1990.

Our drug industry was accorded the undisputed status of social and production priority and conditions were created to advance the development of society by another step. But last year demonstrated also on the example of our pharmaceutical industry how great a gap can form between the correct political postulate and its rapid and conscious implementation in practice.

This year's plan is already based on realistic export goals. A further increase in ergot deliveries by agriculture is needed to permit the import of the necessary quantity of raw matierals and drugs from nonsocialist countries. World prices of chemical raw materials are on the increase and they dictate the price relationships of other products. This applies in full measure also to drugs. Only the same quantity of drugs as last year can be imported but they will be put to better use especially in the area of distribution. It is the task of the health ministries in both republics to create best possible conditions for satisfying needs on the basis of urgency. But first priority must be accorded to the improvement of preventive medical care.

Physicians will seek new possibilities of using drugs purposefully. This task is also up to us, owners of home drug kits with the most varied and frequently years old assortment of drugs. According to statistics "only" 1.6 percent of overall CSR drug consumption is wasted. In 1977 figures,

this amounts to Kcs 3.43 per inhabitant annually; but multiplied by the number of inhabitants it is more than 34 million korunas. This amount would pay for 34 new hospital beds. Thus "only" 1.6 percent?

But enterprises with obligations to the pharmaceutical industry can do incomparably more. It is not only that their good name is at stake, it is their duty. So says also the law of our republic when it stresses that health care of the population is not merely the business of the ministry but a national concern.

8664
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DOMESTIC TRADE SECTOR'S ACHIEVEMENTS, PLANS DISCUSSED

Improved Commodity Turnover

East Berlin PRESSE-INFORMATIONEN in German No 20, 15 Feb 80 pp 5-6

['Facts and Figures' report by Press Office of Chairman, GDR Council of Ministers: "Rapid and Efficient Commodity Turnover in Domestic Consumer Goods Trade"]

[Text] In 1980, the commodity turnover rate in the GDR's domestic consumer goods trade will increase by 4.5 percent as compared with the preceding year. During the present 5-year plan period, the commodity turnover rate in this sector will thus show an 18-percent increase, as compared with 1975, i.e. the 12-percent target set for this period will be exceeded by one-third.

This development is characterized by the rationalization and improved organization of the transport, turnover and storage processes. On account of more effective technologies based on the know-how of the leading workers, it is possible to cut costs and the number of jobs in the wholesale enterprises, to improve the working conditions and to reduce transport costs and turnover, storage and waiting times.

By the end of 1979, the shoe wholesale trade had introduced the pallet technology on 60,000 square meters of floor space, covering all operations from the receiving of the goods to shipment. Under this system, the manufacturers ship the goods on pallets, and it is in this form that the goods are transported, stored and delivered by the wholesale firms. The commodity turnover is characterized here by the unity of modern equipment and technologies, scientific work organization and efficient organization of procedures.

The degree of mechanization amounts to 40 to 70 percent. Thus heavy manual labor is eliminated or reduced and the entire turnover process is considerably accelerated.

In this wholesale branch, a model cycle for the "receiving, storing and shipping of goods" was implemented on 27,000 square meters of key floor space. As a result of this, it was possible to introduce also in the old warehouses of the shoe wholesale trade a standard process organization in regard to pallet technology: Last year, working time savings amounted to 34,100 hours, and 12 workers were shifted to a different job.

In the wholesale branch for shoes and leather goods, nearly 28 percent of the goods are presently delivered directly--without intermediate storage--to the outlets. In 1979, for example, 26 production enterprises in the respective areas delivered over 612,000 pairs of shoes and 49,000 leather articles valued at M 58 million in this efficient way. The collectives of the Socialist Wholesale Enterprises for Shoes and Leather Goods in Berlin, Dresden, Halle, Erfurt, Oberlungwitz and Magdeburg produced especially good results under this regional first-hand delivery system.

In terms of the national economy, direct delivery of large household appliances such as washing machines, refrigerators, electric stoves and coal heaters helps considerably to speed up the movement of goods. Under this marketing system, wholesale turnover increased in 1979 to 110 percent, as compared to the preceding year. This system eliminates the commodity movement from the wholesaler to the retailer and, along with it, heavy physical labor. Last year, a total of 700,000 large household appliances were shipped directly from the wholesalers to the customers, who had made their purchasing choice on the basis of the demonstration models at the retail stores. This sales volume represents the loading capacity of 28,000 W-50 trucks that did not take the longer route via the retail trade. This year, the household appliance wholesalers will expand the direct-delivery system so that eventually 50 percent of the large household appliances to be shipped will be distributed in this way.

Under its direct-delivery system, the Coswig branch, Halle bezirk [GDR administrative unit], of the Household Appliance Wholesale Company notifies the customers of the delivery time, give or take 2 hours. At the time of purchase at the retailer's, the customers are told the day of delivery, and the wholesaler, the actual shipper, informs them in writing at what time the article will be delivered to the home.

This mode of operation necessitates a smooth transport system and calls for exact work organization on the part of the wholesale collectives and the truck drivers. This year, the other bezirks will try to emulate the good performance of the Coswig branch of the Household Appliance Wholesale Company.

In 1980, the Technology Wholesale Trade will deliver directly to the customers approximately 25 percent of the color television sets shipped. So far, 13 of the 14 technology wholesale companies in the GDR have adopted the direct-delivery system for color television sets. In addition, there are contractual arrangements with 48 specialized retail stores and 4 branches

of the RFT [Radio and Telecommunications Technology] Industrial Marketing Enterprise. In the capital city of Berlin, 50 percent of the color television sets shipped are presently shipped directly from the wholesale warehouses to the customers. Aside from the acceleration of commodity turnover, the elimination of one stage in the movement of goods, the lowering of transport costs and the resulting reduction of overall costs, there is a reduction in trade and transport losses. Salesmen and customers no longer have to transport manually the heavy sets, which weigh approximately 50 kilograms. Moreover, this system allows reuse of packaging materials by industry, for upon delivery of the appliances the drivers take back these materials. Thus these qualitative trade improvements produce multiple economic benefits.

In a number of regions, wholesale and production enterprises cooperate closely on speeding up the movement of goods: Suitable consumer goods--"bypassing the wholesale warehouses"--move directly from the producer to the stores. The Magdeburg Technology Wholesale Company, for example, picks up some of the television sets directly at the manufacturing plant, the Stassfurt Television Works VEB, and right away delivers them to various sales outlets in the Halberstadt and Stassfurt kreises [GDR administrative unit] and in the bezirk [GDR administrative unit] city of Magdeburg.

In Berlin, the Technology Wholesale Company directly delivers articles produced by the Berlin Stern-Radio VEB and the Berlin Leuchtenbau VEB to the large retail stores of the capital. In all bezirks, this efficient form of commodity movement can be expanded still further.

Last year, the furniture wholesale collectives increasingly employed efficient and effective methods such as reduction or complete elimination of intermediate storage, in order to speed up the movement of goods. As a result of these efforts, it was possible to reduce costs by M 850,000, working time, by 60,000 hours, and storage space, by 10,000 square meters. At present, these efficient methods are employed by the workers of 13 socialist furniture wholesale enterprises. This work calls for close socialist cooperation between the enterprise collectives of the wholesale trade, the furniture industry, the retail trade and the transport sector, with the furniture wholesale trade performing a coordinating and controlling function.

Of crucial importance in the further acceleration of the movement of goods in the furniture trade is the commodity turnover without intermediate storage, i.e. the expansion of the "production--customer" trade route. It is in this field that the greatest efficiency gains will be attained. For example, the collective of Branch II (Living Room Furniture) of the Berlin Socialist Furniture Wholesale Enterprise has obtained good results in directly delivering to the customers the "Elegant" and "Carat" models produced by the Berlin Furniture Combine VEB. Thus the direct shipment of furniture from the producer to the customer by the Berlin furniture wholesalers constitutes over 37 percent of the republic's total wholesale trade turnover. In 1979, the Halle Socialist Furniture Wholesale Enterprise delivered the

"Favorit" model directly from the Dessau Furniture Combine VEB to the buyers in Halle.

Domestic Trade Statistics

East Berlin PRESSE-INFORMATIONEN in German No 16, 7 Feb 80 pp 5-6

['Facts and Figures' report by Press Office of Chairman, GDR Council of Ministers: "Retail Trade Workers' Day, 17 February 1980"]

[Text] On 17 February 1980, approximately 800,000 employees of the domestic consumer goods trade sector, the hotel and restaurant sector, and the foreign trade sector will celebrate for the 6th time their day of honor, the "Retail Trade Workers' Day." In the domestic trade sector alone, there are 700,000 workers. Women and girls account for 75 percent of this total.

Twenty-eight department stores, 103 shopping centers, 1,016 market halls and rural shopping centers, and approximately 115,000 retail and specialized stores of all types in town and country offer a large assortment of goods. To improve the shopping conditions for the citizens, 504 shopping centers and 24 department stores were established in the last 9 years. In the course of the rationalization of the retail trade network, 72 attractive shopping centers with approximately 1,650 totally streamlined retailing facilities were completely reorganized.

For the citizens' gastronomical needs, there are 25,000 restaurants with a capacity of over 1.5 million seats. Since the Ninth SED Congress, over 47,000 new restaurant seats have been created, 9,000 of which are in Berlin. During the last 9 years, nearly every second restaurant was totally or partly remodeled. In urban and rural residential areas, new club restaurants were established. There has been an increase in the number of unique, cozy restaurants and beer bars.

In 2,900 school kitchens, 1,800 industrial kitchens, 650 restaurants and 100 large-scale municipal kitchens, more than 20,000 workers are engaged in providing school children with hot lunches. For the children's lunch, over 804,000 seats are available, 89,000 of which are in restaurants.

In the socialist competition, the kitchen collectives are day after day engaged in providing good food for the school children of our country. The success of these collectives is reflected in the growing number of participants in the lunch program. A contributing factor in this regard are the continuous improvements in the program's quality. By 1979, participation in the school lunch program had increased to 77.2 percent. Positive results have been achieved in the age group-oriented program, which comprises over 94 percent of all participants from grades 7 to 12.

Due to the greater variety of the flavored milk beverages offered, more children drink milk in school now (1979: 65.6 percent).

On a daily basis, the 5,000 employees of the 50 state- and cooperative-owned retail enterprises, who as principal catering contractors are assigned to large-scale construction sites in all GDR bezirks, provide over 130,000 construction and assembly workers of all shifts with hot meals, snacks and beverages. Approximately 70 percent of the construction and assembly workers receive a daily hot meal.

In the capital city of Berlin alone, 1,600 workers are engaged on a continuing basis in providing diverse catering services for the construction workers. In their capacity as delegates to the "FDJ [Free German Youth] Berlin Initiative" Central Youth Project, over 530 young retail trade workers from all GDR bezirks are making an important contribution to the food services for the Berlin construction workers.

In 1979, retail trade turnover amounted to M 95.5 billion, i.e. an increase of M 3 billion or 3.2 percent. Approximately 10 percent of the supply operations are handled by 17,000 commission merchants and 9,000 private retailers.

Special attention was directed to basic food supplies and other essential commodities. Starting at a high supply level, it was possible--at stable prices--further to improve and ensure the food supply. From 1970 to 1979, the supply of industrial goods increased to 165 percent. Significant increases were registered in regard to equipment of households with high-grade consumer goods. For the period from 1970 to 1979, the pertinent data are as follows: Refrigerators, from 56 to 99 percent; washing machines, from 54 to 80 percent; television sets, from 69 to 90 percent, and automobiles, from 16 to 36 percent.

In order to improve the marketing of baby goods and children's wear, over 200 specialized retail stores were set up. Stores of this kind are now in operation in all kreises of our republic. These stores either carry a complete assortment of children's articles or pool their resources with other--usually adjacent--stores under the control of a supervisory sales center. In addition, these stores offer various customer services: Selection of layettes, lining of bassinets, delivery of perambulators, and repair work. In all bezirks, catalogs are available, by means of which expectant mothers can inform themselves about the goods available at the retail stores. Order forms facilitate the purchasing process. In order to help the customers to make their selection from a full assortment of goods, to purchase as many goods as planned, and to reduce the shopping time, special sales outside the normal business hours have been arranged in all bezirks for large families and expectant mothers.

With elan and imagination, over 150,000 young retail trade workers help to meet the supply targets and to raise the quality and efficiency of trade activities. Every fifth worker in the domestic trade sector is a juvenile; 30,200 young people are members of the 3,460 domestic trade youth brigades, i.e. 22 percent of all young retail trade workers. In the youth brigades and in the 3,800 youth projects of the retail trade, apprentices, students,

young skilled workers and university and technical college graduates work alongside experienced workers.

In 1979, nearly every third retail trade worker participated in the innovator movement. The innovations, which numbered in excess of 43,000, were designed above all to raise the level of the trade activities and to improve labor efficiency. The innovator movement produced returns amounting to M 136.7 million, thus surpassing the results of 1978 by M 6.2 million. Progress was made in regard to the repeated utilization of innovations; as compared with the preceding year, repeated utilization increased by 32 percent and produced returns of M 11.5 million. In the trade and supply sector, the best results in the utilization and repeated utilization of innovations were obtained by the textiles/dry goods and shoes/leather goods wholesale branches, in which the returns per worker amounted to M 971 and M 793, respectively.

In implementing the Decree on the Efficient Use of Energy, which was passed by the Council of Ministers on 13 September 1979, the organs, enterprises and institutions of the retail trade sector have produced good first results. The degree of fulfillment of the branch- and enterprise-specific programs and plans confirms that the efficient use of energy has become a permanent management objective. This can be illustrated by the following examples: During the period from September to the end of the year, lighting costs in the sales outlets of the cooperative retail trade were reduced by 27 percent. During the same period, lighting costs in the 11,500 retail trade facilities of Halle bezirk were reduced by nearly one-third, without impairment of the sales activities. Likewise, during the period from September to December 1979, the Parchim Nordfrucht VEB was able--through thrifty operation of its equipment--to reduce consumption of brown coal by 300 tons; this capital savings was returned to the Kohlehandel [Coal Trade] VEB.

In the domain of the Interhotel Association, six hotels received honorable mention as "model enterprise in regard to energy consumption." In the locally managed, state-owned retail trade, this title was awarded to the Neubrandenburg "Vier Tore" HO [State Trade Organization] hotel.

The socialist domestic trade sector employs over 51,000 apprentices, i.e. nearly every 10th high school graduate. Nearly 86 percent of the total number of apprentices are girls. Most of the apprentices are trained in the following trades: Salesman, cook, waiter, wholesale warehouseman, and fruit nd vegetable processing specialist. Over 87 percent of the apprentices are graduates of the 10-grade polytechnical high school.

From the beginning of their training, all apprentices are employed in the work collectives of the retail trade establishments and restaurants. Aside from the theoretical and practical professional training, this work is an integral part of the professional competition. In 1979, 80 future skilled workers of the retail trade sector were awarded--in recognition of their

excellent performance in the socialist professional training program--the "Karl Liebknecht Medal" by the minister for trade and supply.

As they had done in previous years, the employees of the "CENTRUM" and "konsument" department stores supported through various activities the joint solidarity campaign launched by the FDGB [Free German Labor Union Federation] and the "Stimme der Freiheit"/"Dem Frieden die Freiheit" [Voice of Freedom/Freedom for Peace] radio station. The solidarity bazaars in the department stores attend above all to young people and youth collectives. In the "CENTRUM" and "konsument" department stores, M 171,590 and M 55,000, respectively, were donated and remitted to the solidarity account.

In accordance with the growing demand of the population, the purchase and sale of second-hand consumer goods have been expanded. The socialist retail trade thus helps to tap economic reserves. During the last 3 years, the volume of used consumer goods bought and sold increased considerably. The turnover of second-hand goods increased from approximately M 82 million in 1976 to M 145 million in 1979. At present, second-hand goods are bought and sold in approximately 260 second-hand stores and 160 specialized stores in accordance with the type of product traded.

In order to improve the efficient utilization of the available basic assets, approximately 53,000 retail trade collectives have taken over the maintenance and service of equipment. On the basis of long-term maintenance and repair agreements concluded with repair shops, downtime has been reduced, service life has been extended and repair costs have been lowered for over 50 percent of the retail trade equipment.

8760
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STATE FARM SUPPORT FOR PRIVATE PLOT EFFORTS PRAISED

Budapest NEPSZABADSAG in Hungarian 28 Feb 80 p 4

[Article by Istvan Almasi: "State Farm Household Farming at Sarszentmihaly: Not Too Lazy To Think"]

[Text] It is often unusually great production results, at other times extraordinary quality, or novelty, that lends special interest to an individual economic theme. In the present instance it cannot be any of these, because the development of household farming is identical with that of the producer cooperative, whereas that of small scale production extends to the distant past.

Yet in the place about which this article speaks household production is not only a novelty but--and this is perhaps the most significant--it also signals a good change in attitude. On the Sarszentmihaly State Farm they started to engage in household farming four years ago, and today this is increasingly being perfected there. Their experiences merit attention. The present situation demands that every agricultural operation exploit every possibility, even that which appears to be trifling or insignificant at least at first glance.

For 9000 People Instead of 3000

They started with vegetables. This farm, not large in any case, cultivating altogether 3500 hectares of arable land, with rather unfavorable natural endowments, is chiefly concerned with market gardening branches. Thus also with vegetable growing. There are vegetables (green peas, carrots, root vegetables, string beans, cabbage) that have a more or less developed large-scale cultivation technology. Yet vegetable cultivation is still costly. The state farms more frequently close their books with a considerable loss than with a modest profit in the vegetable sector.

There is also a public demand for the kinds of vegetables the greater part of whose cultivation, and mainly harvesting, is largely confined to manual effort. (It would be possible to list such plants by the dozen, from head lettuce to kohlrabi, from knarled root vegetables to green peppers.) To be

concerned with these latter on the large state farm plots lacking a manual labor force, or relying on uncertain seasonal laborers is usually an undertaking condemned to failure in advance. Thus then, however wide the selection of vegetables has had to be, the state farms--understandably--have shied away from, have tried to avoid, such demands.

At that time, the idea sprang up at Sarszentmihaly that they should experiment with labor-incentive vegetable types on the land granted to the workers for supplemental income. On hearing that the farm would prepare the land, assist in crop protection, and organize the marketing for a return, four years ago 65 people undertook to grow vegetables on 8 hectares of land. Since then twice as many people are growing vegetables on three times as much land. At that time the organization of the things to be done in connection with household farming was entrusted to one of their young men, Otto Kiss.

"At this time we also started to buy the vegetable crops from the small gardens," says the manager of the household farming branch in remembering the beginnings. Because today on the state farm they rightly speak of a household farming branch, along with the fruit-growing, plant cultivation, and vegetable cultivation branches.

"Last year our household vegetable production covered the annual vegetable needs of 3000 people," joins in Antal Boda, the director of the farm. "This year, according to our plans, we should triple last year's quantity, that is, the household farming organized through our farm will cover the yearly vegetable needs of 9000 people."

"And this plan is now even substantiated with agreements," adds Ivan Fekete, deputy director for production, giving emphasis to the certainty of the calculation.

They have gotten over the growing pains, and have clarified even the details of what they want to accomplish on the farm through household vegetable production. In the beginning concern was caused by the fact that everybody was taking care of whatever species, whatever vegetable, they felt like. In the second year they already strove to have them produce similar products, ripening at the same time, from jointly acquired plants and seeds. Last year to simplify plant protection and marketing they reduced the number of vegetable types cultivated. This year, however, they are increasing it. Why this frequent alteration? The director says:

"We already had several vegetable and fruit stores operating in neighboring towns. We have increased the number of these to 15-16. It is not economical to operate fewer than this, because then it would be too expensive to supply and supervise the stores. In our stores, on the other hand, it is not sufficient to sell those 7-8 types of vegetables that we produce on large plots. Possibly the full selection is needed."

What does "full selection" mean?

"From our greenhouses we can deliver tomatoes, cucumbers, and green peppers even out of season. The farm sells carrots, potatoes, root vegetables, and even some types of field-grown plants. Besides these we also product sweet and sour cherries, apricots, currants, peaches, plums, and walnuts. Our stores also sell carnations, gerberas, and other ornamental plants. Household vegetable production, however, offers 16 kinds of vegetables. Without this we could not supply shoppers with an acceptable selection of products. For this reason, too, in the development of the composition of our trade we have borne in mind what we would need in our stores, and in recognition of this we made a production agreement with our workers."

Profitable Solutions

This also indicates that they are not sticking to models, but that profitability requirements are guiding their steps. A flexibility is observable at Sarszentmihaly that many large operations have still not sufficiently adopted. And this flexibility derives from the viewpoint that in large operations representing a production value of around 200 million forints the most profitable solutions possible should be implemented. On this basis they have prepared a plan for themselves for the current year that promises a 13.4 million forint profit. And this is a truly big accomplishment, given the knowledge of changes in producer prices. Big especially when last year's farm profit--though in the wake of sensitive natural disasters--did not reach even 2 million forints.

They were a little taken aback when in recent weeks they calculated that the materials, tools, and energy carriers purchased by them will increase costs this year by roughly 27 million forints, and that they cannot cover even half of this by increases in the selling price of their own products. They were taken aback, and then they started to figure and weigh the impact of changes in production organization and in the structure of production. Thus they arrived at a management plan whose implementation will reverse the picture that developed at first, and instead of a loss, a greater profit than last year is promised.

An exact enumeration would lead far afield. Profits will be increased by the fact that they will produce cucumbers instead of tomatoes in a larger area of the greenhouses; that they made an agreement with neighboring farms to take over and fatten 24,000 sheep; and that they will substantially increase milk yield per cow and the milk production of the dairy-farm. They also anticipate a profit from the vegetable stores and, not this year, but in future years, perhaps even nutria will make money.

What Do They Expect From Nutria?

The uncertainty over nutria is caused, actually, by inexperience. But the signs are favorable. This is indicated in the words of Ivan Fekete, who has been concerned with nutria in household farming for a few years now:

"We want to develop nutria breeding-stock. Nutria are herbivorous. Corn stalks, meadow hay, and healthful but commercially useless products of 340 hectares of vegetable-producing area can all provide feed for nutria: a significant part of which has been wasted until now. Last year we started with 200 animals, now we are raising some 700 on the farm, while we gave over 200 to household farming."

"What were the conditions?"

A nutria family is made up of 1 buck and 5 does. They are worth 600 forints. We ask 1/3 of the cost from the household nutria-raiser. They pay off the remaining 400 forints with offspring ready to be slaughtered. One doe, figuring 3 litters every 2 years, will raise 12-14 offspring. We pay 400-600 forints for a live nutria ready for slaughter, depending on the quality of the pelt.

Is there any interest?

"The 200 nutria are on 15 household farms and, at the moment, we have more than 1000 requests on hand."

Can these interests ever be satisfied?

"We hope so. According to indications, we will be able to purchase 2000 nutria this year in Poland. We on the farm would like to develop a breeding-stock of 10,000 head and we would give the breeding material derived from this, along with technical advice and perhaps feed, to the household farms, the small producers."

Nutria fur is a sought-after item both here at home and abroad. The meat of the generally 5-kilogram animals is edible, and figures on West European menus at a high price. The big question mark is whether some as yet unknown problem will arise in connection with keeping and raising them. It is a fact that large-scale nutria raising has not been developed anywhere. That is why they, too, are thinking about household farming and small-scale production. They are hoping for the best, and they are now striving accordingly to turn today's dreams into reality within a few years with the knowledge of some international experience.

They are also concerned with sheep-fattening, household hog procurement, vegetable production, and the first steps in nutria raising which all point in one direction. Many things can be done with initiative and an enterprising spirit, and if the workers in directing the farm are not too lazy to think and to exert themselves, and are not afraid of risks. And this is perhaps the chief lesson at Sarszentmihaly, on a farm the bulk of whose unusually far-flung fields are suitable for large-scale cultivation only with great difficulty and effort.

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END

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